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Supv. Ct.

Vol. I

TRANSCRIPT OF RECORD

(Pages 1 to 485)

Supreme Court of the United States

OCTOBER TERM, 1946

No. 37

EDNA W. BALLARD AND DONALD BALLARD,
PETITIONERS,

vs.

THE UNITED STATES OF AMERICA

ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE NINTH CIRCUIT

PETITION FOR CERTIORARI FILED JANUARY 28, 1946.

CERTIORARI GRANTED MARCH 25, 1946.

No. 10059

United States

Circuit Court of Appeals

For the Ninth Circuit.

EDNA W. BALLARD and DONALD BALLARD,
Appellants,

vs.

UNITED STATES OF AMERICA,
Appellee.

Transcript of Record

In Four Volumes

VOLUME I

Pages 1 to 485

Upon Appeal from the District Court of the United States for the Southern District of California, Central Division.

PARKER PRINTING COMPANY, 543 SANSOME STREET, SAN FRANCISCO

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[Clerk's Note: When deemed likely to be of an important nature, errors or doubtful matters appearing in the original certified record are printed literally in italic; and, likewise, cancelled matter appearing in the original certified record is printed and cancelled herein accordingly. When possible, an omission from the text is indicated by printing in italic the two words between which the omission seems to occur.]

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Assistant United States Attorneys,
600 U. S. Post Office & Court
House Building,
Los Angeles, California. [1*]

*Page numbering appearing at foot of page of original certified Transcript of Record

No. 14858

Viol.: Title 18, United States Code, Section 338;
Title 18, United States Code, Section 88.

In the District Court of the United States in and for the Southern District of California, Central Division

INDICTMENT

At a stated term of said court, begun and holden at the City of Los Angeles, County of Los Angeles, within and for the Central Division of the Southern District of California on the first Monday of February in the year of our Lord one thousand nine hundred and forty-one,

The grand jurors for the United States of America, after being duly impaneled, sworn, affirmed and charged at the term of said court now pending to inquire in and for the Southern District of California, upon their oaths and solemn affirmations do present:

That

EDNA W. BALLARD, alias Saint Germain, Jesus, Joan of Arc, Lotus Ray King, Chanera;

DONALD BALLARD, alias Edona Eros Ballard, Lafayette;

BETTY MUNDY;

PAUL STICKELL;

LOUISE MAJERUS;

WILLIAM J. CASSIERE;

whose names are to the grand jurors otherwise unknown, who are hereby indicted and hereinafter referred to as "defendants," and Guy W. Ballard, now deceased and therefore not indicted herein, but who merely for the purpose of convenience is included and referred to in the term "defendants," and divers other persons whose names are to the grand jurors unknown, heretofore, to-wit: during the early part of the year 1930, the exact date of which is unknown to the grand jury, and continuously thereafter up to and including the date of the filing of this indictment, in the Southern District of California and within the jurisdiction of this court, did unlawfully, knowingly and wilfully devise [2] and intend to devise a scheme and artifice to defraud and for obtaining money and property by means of false and fraudulent representations, pretenses and promises from a large number of persons, hereinafter called the "persons intended to be defrauded," and that class of persons who could or might be induced by means of any of the fraudulent or false devices, representations, and promises hereinafter mentioned, to purchase the books, magazines, pictures, articles, and other paraphernalia offered for sale by the defendants, and each of them, and to become followers, or who might be induced to accept the teachings and movement sponsored by the defendants, commonly known as the "I Am" movement, and who might be induced to give, send, and pay their money and give other

things of value to said defendants, among whom were:

Margaret H. Schall
Allen C. Radcliffe
Silvia Bisplinghoff
Maud Hill
Lillian M. Shissler
William I. Ferguson
Tom Stevens
Ernest C. Ricord
Muriel Bliss
Lucille C. Siefert
D. R. Baldwin, and
Gladys E. Kemp,

and divers other persons whose names are to the grand jurors unknown, including all of that class of persons in the State of California and elsewhere throughout the United States whom the said defendants would and could induce, persuade and entice to become members and followers of a certain organization or movement, organized and operated by the defendants, and by them designated and hereinafter referred to as the "I Am" movement, which said scheme and artifice was and is in substance as follows, to-wit:

(a) It was a part of the said scheme and artifice to defraud that the defendants would and did create, organize and operate a certain organization or movement known as the "I Am" movement, and by means of false and fraudulent representations,

pretenses and promises, hereinafter more particularly set forth, solicit, induce, encourage, persuade and entice the persons to be defrauded to become members and followers of the said "I Am" movement.

(b) It was a further part of the said scheme and artifice to defraud that the defendants would and did form, organize, dominate and [3] control a corporation designated and known as the Saint Germain Foundation, an Illinois corporation, and that the defendants would and did arrange for the election of the defendants Donald Ballard, as president, Paul Potter, as vice-president, and Edna W. Ballard as secretary and treasurer of the said Saint Germain Foundation.

(c) It was a further part of the said scheme and artifice to defraud that the defendants by means of false and fraudulent representations, pretenses and promises, and devices, hereinafter more particularly set forth, would and did solicit, induce, encourage, persuade and entice the persons intended to be defrauded to give, donate and contribute to the said Saint Germain Foundation sums of money and other things of value.

(d) It was a further part of the said scheme and artifice to defraud that the defendants would and did form, organize, dominate and control a corporation known and designated as the Saint Germain Press, an Illinois corporation, and that the defendants would and did arrange for the election of the defendants Donald Ballard as president, Paul Potter

as vice-president and Edna W. Ballard as secretary and treasurer of the said Saint Germain Press.

(e) It was a further part of the said scheme and artifice to defraud that the defendants would and did by means of false and fraudulent representations, pretenses and promises, solicit, induce, encourage, persuade and entice the persons to be defrauded to purchase from the said defendants various books, charts, pamphlets, magazines, and other written and printed matter published by the said Saint Germain Press.

(f) It was a further part of said scheme and artifice to defraud that the defendants would and did by means of false and fraudulent representations, pretenses and promises, sell and cause to be sold to the persons to be defrauded various pictures, charts, paraphernalia and divers other articles.

(g) It was a further part of said scheme and artifice to [4] defraud that the said defendants would and did arrange for, establish and maintain branch offices, meeting rooms, and reading rooms in various cities and towns throughout the United States, including

Los Angeles, California;
San Francisco, California;
Chicago, Illinois;
Washington, D. C.;
Philadelphia, Pennsylvania;
New York City, New York;

Boston, Massachusetts;
Cleveland, Ohio;
Denver, Colorado;
Salt Lake City, Utah;
Fort Worth, Texas;
Dallas, Texas
West Palm Beach, Florida,

and other principal cities throughout the United States; and that the defendants would and did arrange for and conduct meetings, classes and lectures at the aforesaid branch offices and meeting rooms and reading rooms for the instruction of the persons intended to be defrauded, in the principles, precepts and doctrines of the "I Am" movement.

(h) It was a further part of the said scheme and artifice to defraud that the said defendants would and did arrange for and conduct radio programs and broadcasts over various radio stations in the United States for the instruction of the persons intended to be defrauded in the principles, precepts and doctrines of the "I Am" movement.

(i) It was a further part of the said scheme and artifice to defraud that the defendants, for the purpose of soliciting, inducing, encouraging, persuading and enticing the said persons intended to be defrauded to become members and followers of the aforesaid "I Am" movement and for the purpose of soliciting, inducing, encouraging, persuading and enticing the said persons intended to be defrauded to give, donate and contribute sums of money and other things of value to the defendants and the aforesaid corporations dominated and con-

trolled by them, for the purpose of soliciting, inducing, encouraging, persuading and enticing the said persons intended to be defrauded to purchase from the defendants and corporations dominated and controlled by them, the aforesaid books, pamphlets, charts, and divers other [5] articles heretofore mentioned, would, in the aforesaid meetings, lectures, radio broadcasts and through and by means of letters, books, pamphlets and divers other written and printed matter, falsely and fraudulently represent to the persons intended to be defrauded, in substance and effect as follows, to-wit:

(1) That the defendant Guy W. Ballard had attained a supernatural state of self-immortality, which condition enabled him to conquer disease, death, old age, poverty, and misery; whereas in truth and in fact the defendants well knew that the said Guy W. Ballard had not attained such a state of self-immortality which would enable him to conquer disease, death, old age, poverty, or misery, but was subject to disease and death common to mortal man, and did in fact die on December 29, 1939, in the City of Los Angeles, California, following an operation performed upon him;

(2) That the defendant falsely represented that Guy W. Ballard, now deceased, alias Saint Germain, Jesus, George Washington, and Godfre Ray King, had been selected and thereby designated by the alleged "ascertained masters," Saint Germain, as a divine messenger; and that the words of "ascended masters" and the words of the alleged divine

entity, Saint Germain, would be transmitted to mankind through the medium of the said Guy W. Ballard; whereas in truth and in fact the defendants well knew that the said Guy W. Ballard was not a "divine messenger" and all of said representations so made were false and fraudulent, and the defendants and each of them well knew that defendant Guy W. Ballard had no such divine or supernatural power;

(3) That the defendants represented that Guy W. Ballard, during his lifetime, and Edna W. Ballard, and Donald Ballard, by reason of their alleged high spiritual attainments and righteous conduct, had been selected as divine messengers through which the words of the alleged "ascended masters," including the alleged Saint Germain, would be communicated to mankind under the teachings commonly known as the "I Am" movement; whereas in truth and in fact the defendants, and each [6] of them, well knew that none, neither, nor any of the three above designated persons had in fact achieved a high spiritual attainment; and whereas in fact none, neither, nor any of the said three designated persons had in fact lived a life either prior to the date set forth in the herein indictment or continuously up to and including the filing thereof, which said life adhered to and consisted of righteous conduct;

(4) That the defendants and each of them represented that Guy W. Ballard, his widow, Edna W. Ballard, alias Saint Germain, Jesus, Joan of Arc, Lotus Ray King, and Chanera, and Donald Ballard,

the son of Guy W. Ballard and Edna W. Ballard, who was also known as Lafayette and Edona Eros Ballard, had by supernatural visitation been accorded a supernatural state of self-immortality of body and also had been appointed messengers of divine entities and "ascended masters"; and that it was only through the medium of one, either, or all of said designated persons that the teachings and principles of alleged "ascended masters" and of divine entities would be transmitted to mankind; whereas in truth and in fact the defendants well knew that said representations pertaining to the alleged self-immortality of Guy W. Ballard, Edna W. Ballard, and Donald Ballard were false and fraudulent; and that the defendants well knew that the said representations as to the ability of one or either of said persons to transmit the messages of divine entities and of "ascended masters" to mankind were false and fraudulent, and that all of said designated persons were mortal persons without any supernatural powers;

(5) That the defendants represented that the teachings, precepts, doctrines, and principles published and promulgated by the defendants under the movement "I Am," were the only channels through which the alleged spiritual teachings or words of the alleged Saint Germain and other "ascended masters" would be given to the world. The defendants represented that the said words and teachings promulgated under the movement known as the "I Am" movement were absolutely [7] essen-

tial to the salvation of mankind, which said teachings and doctrines are too voluminous to be set forth herein and for that reason are omitted by the grand jury; that the defendants well knew that said alleged representations were false and fraudulent and had no foundation for representing to persons intended to be defrauded that said teachings, doctrines, and precepts were absolutely essential to the salvation of mankind;

(6) That the defendants represented that Guy W. Ballard, during his lifetime, and Edna W. Ballard and Donald Ballard had attained a supernatural state of self-immortality, which condition enabled them, and each of them, to be entirely free from ailments common to man, and to conquer disease, death, old age, poverty, and misery, which power or condition and supernatural state the defendants, and each of them, represented they could and would transmit to others willing to pay therefor or willing to part with other things of value therefor to the defendants, for the false and fraudulent purpose of securing money or other things of value from the persons intended to be defrauded; whereas in truth and in fact the defendants, and each of them, well knew that none, neither, nor all of said above designated named three persons had any such power, supernatural ability, or condition; and that they well knew that they had no such supernatural ability, power, or condition to transmit to others the ability to conquer disease, death, old age,

poverty, and misery; and that all of said representations were false and fraudulent;

(7) That the defendants, and each of them, represented that Guy W. Ballard, during his lifetime, and Edna W. Ballard and Donald Ballard had, by reason of supernatural attainments, the power to heal persons of ailments and diseases and to make well persons afflicted with any diseases, injuries, or ailments, and did falsely represent to persons intended to be defrauded that the three designated persons had the ability and power to cure persons of those diseases normally classified as curable and also of diseases which are ordinarily [8] classified by the medical profession as being incurable diseases; and did further represent that the three designated persons had in fact cured either by the activity of one, either, or all of said persons, hundreds of persons afflicted with diseases and ailments; whereas in truth and in fact the defendants, and each of them, well knew that none, neither, nor all of said designated persons had the power to cure or heal mankind of diseases or ailments, and in truth and in fact knew that neither of said designated persons had in fact ever cured any person suffering from curable or incurable diseases or ailments, but said representations were made for the purpose of acquiring domination and implicit belief among the followers of said movement so as to acquire a powerful influence over said persons and to cause the persons intended to be defrauded to be-

lieve that one, either or all of said designated persons had divine power of a supernatural nature.

(8) That the defendants, and each of them, represented by direct representations and by innuendos, worded and delivered in such a manner as to cause a belief among persons willing to accept the teachings of the "I Am" movement, that Guy W. Ballard, during his lifetime, and Edna W. Ballard and Donald Ballard, and each of them, had, by reason of divine origin, acquired a great healing power and did represent to the followers and students of said movement that said followers might also acquire such healing power and be able to achieve perfect bodies and heal themselves of all human ailments if said followers would give implicit obedience to the precepts, principles, teachings and doctrines of the "I Am" movement; whereas in truth and in fact the defendants, and each of them, well knew that none, neither, nor any of said designated Ballards had any such power to heal and did not in fact have the power to transfer to others their alleged power to heal persons of human ailments and their alleged power to achieve perfect bodies free from disease common to mankind;

(9) That the defendants, and each of them, further represented [9] as a part of said scheme and artifice to defraud the persons intended to be defrauded, that the three designated persons, to-wit: Guy W. Ballard, Edna W. Ballard, and Donald Ballard, had a divine and supernatural ability to bring forth from a supernatural state, money, riches, and

other material needs necessary to mankind, which power or condition and supernatural state the defendants represented that they could transmit to others willing to pay therefor or willing to part with things of value therefor; whereas in truth and in fact the above designated defendants well knew that none, neither, nor all of them had any such supernatural power or ability of precipitation and all of said representations were false and fraudulent;

(10) That the defendants, and each of them, did publish and sell and cause to be published and sold over a period of approximately six years last past, continuously up to and including the filing of the herein indictment, books wherein and whereby the defendants, and each of them, falsely represented to the persons intended to be defrauded that said books were the result of divine visitations and dictations by the alleged Saint Germain and other alleged supernatural entities appearing in various supernatural visitations to one, either, or all of the defendants Guy W. Ballard, Edna W. Ballard, and Donald Ballard; that the defendants represented said books contained the divine instructions for the salvation of mankind; that among such books were those published under the name of "Unveiled Mysteries" and "The Magic Presence"; that the defendants represented that Guy W. Ballard, Edna W. Ballard, and Donald Ballard actually encountered the experiences pertaining to each of their said names as related and set forth in said books, whereas in truth and in fact none of said persons did encounter the

experiences; that the defendants, and each of them, represented that the alleged Saint Germain and various other alleged "ascended masters" too numerous to mention, communicated to mankind solely through the medium of one or more of the aforesaid designated defendants; that the defendants did endeavor to and did sell copies [10] of said books to the persons intended to be defrauded under the afore alleged representations, knowing at all times that said alleged representations with respect to their origin and alleged divine inspiration were false and fraudulent, and fully knowing that said books were not divinely inspired but were in fact the writings of one or more of said designated defendants, together with extracts and the substance of material and incidents from occult and metaphysical writings of others, persuading persons intended to be defrauded that, in their aim and desire to acquire salvation and self-immortality, they must purchase from said defendants said books;

(11) That the said defendants over a period of the seven years last past and up to the date of the return of this indictment did publish, circulate, and sell magazines, booklets, circulars, letters, "edicts," "decrees," and musical compositions, circulating and selling the same among the persons intended to be defrauded upon the false representations that said writings or compositions as aforesaid were divinely inspired and dictated by supernatural entities or "ascended masters" and were

a part of the medium by which persons intended to be defrauded could obtain divine salvation, knowing fu well that all of said publications were man written and that said representations were false and fraudulent;

(12) That the defendants, and each of them, represented both orally and by writings that it was solely by reason of their teachings and their embodiment in the "I Am" movement and by reason of their divine power and influence that the United States of America was saved from destruction, and that by divine inspiration there had been accorded to them the ability to maintain the sovereignty and general welfare of the United States of America; that by reason thereof they represented to the persons intended to be defrauded that it was absolutely necessary that complete obedience be had to their teachings, commands, and decrees for the safety, welfare, and sovereignty of the United States and for divine justice to be had in governmental [11] activities and the activities of industry; that the defendants well knew that all of said representations were false and untrue and had no foundation in fact and that the welfare and safety of the United States did not depend upon persons following the teachings or commands of their movement;

(13) That the defendants represented that reproductions of a painting of a picture represented by the defendants as being an actual picture of the "ascended master" Saint Germain, was the result of a visitation by Saint Germain before one Charles

Sindelar; and that the said Saint Germain did appear before the said Charles Sindelar for said painting and did represent to the persons intended to be defrauded and the followers of said movement that the purchase of said picture from the defendants was desirable in their aim and hope to achieve salvation; whereas in truth and in fact the defendants well knew that said painting was copied from an existing picture painted approximately twenty years theretofore by Theresa de Carranza and that the reproductions were made for the purposes of sale.

(14) That the defendants falsely represented that the purchase of certain charts, phonograph records and articles, sold by the defendants to the persons intended to be defrauded and the students of the said "I Am" movement, would bestow upon said purchasers great blessings and rewards in their aim to achieve salvation; whereas in truth and in fact the defendants had no foundation for said representations and well knew that said representations were false and fraudulent, and that said articles, charts and records were man-made and had no ability to aid in achieving salvation;

(15) That the defendants, and each of them, falsely represented from time to time that there would be an actual visitation in one or more designated cities or places in the United States of "ascended masters" or divine entities, which said divine entities would appear in physical form before the assembly of followers of said movement, and

by reason thereof said defendants acquired a [12] hypnotic control, power, and domination over the persons intended to be defrauded, to-wit: the followers of the "I Am" movement, causing many of said followers to reach such a high state of emotionalism that they were willing to travel from far distances at great expense to themselves under the hope and expectation that they would view the physical appearance of the alleged "ascended masters" and other divine entities, said defendants knowing full well at all times that all of said representations were false, fraudulent, and were made solely with the aim, purpose, and desire of acquiring domination and control over the followers of said movement; that subsequent to any such meeting in which the defendants represented that divine entities would appear in physical form, which appearance in fact never occurred, the defendants, and each of them, would lull the followers of said movement into blind belief that said divine entities had failed to appear because of an alleged lack of harmony existing among the followers of said movement present at said proclaimed time for appearance;

(16) That the said defendants falsely represented that a cataclysm or the end of the world was approaching within the life span of persons now living and that there was no necessity to provide for the future or to save money or other things of value possessed by the persons intended to be defrauded and that in lieu thereof the followers of said movement should withdraw their funds from

banks, life insurance companies, and other financial institutions accepted by normal persons as safe places for the deposit of their money, and should turn said moneys over to the defendants in the form of so-called "love gifts" to be made directly to the defendants or to corporations above named, owned, controlled, and dominated by the defendants; that the said defendants had no reason to believe that the end of the world or a cataclysm was about to occur but made such representations as a part of their program to command implicit and unquestioning obedience of their followers;

(17) That the defendants falsely represented that any person [13] who criticized or questioned the teachings of the defendants, and each of them, would be denounced or punished by "ascended masters" and would thereby create fear, confusion, and obedience among the followers of said movement; whereas in truth and in fact the defendants, and each of them, well knew that said criticism or questioning of the teachings of said movement would not be punished by "ascended masters" and also not denounced by alleged "ascended masters";

(18) That the defendants falsely represented to the followers of said movement and the general public that if said persons would follow the principles, doctrines and precepts of the "I Am" movement and the teachings of the defendants, prior to death said persons would achieve the ability to make their actual physical ascension in their physical, tangible bodies and would in fact ascend and

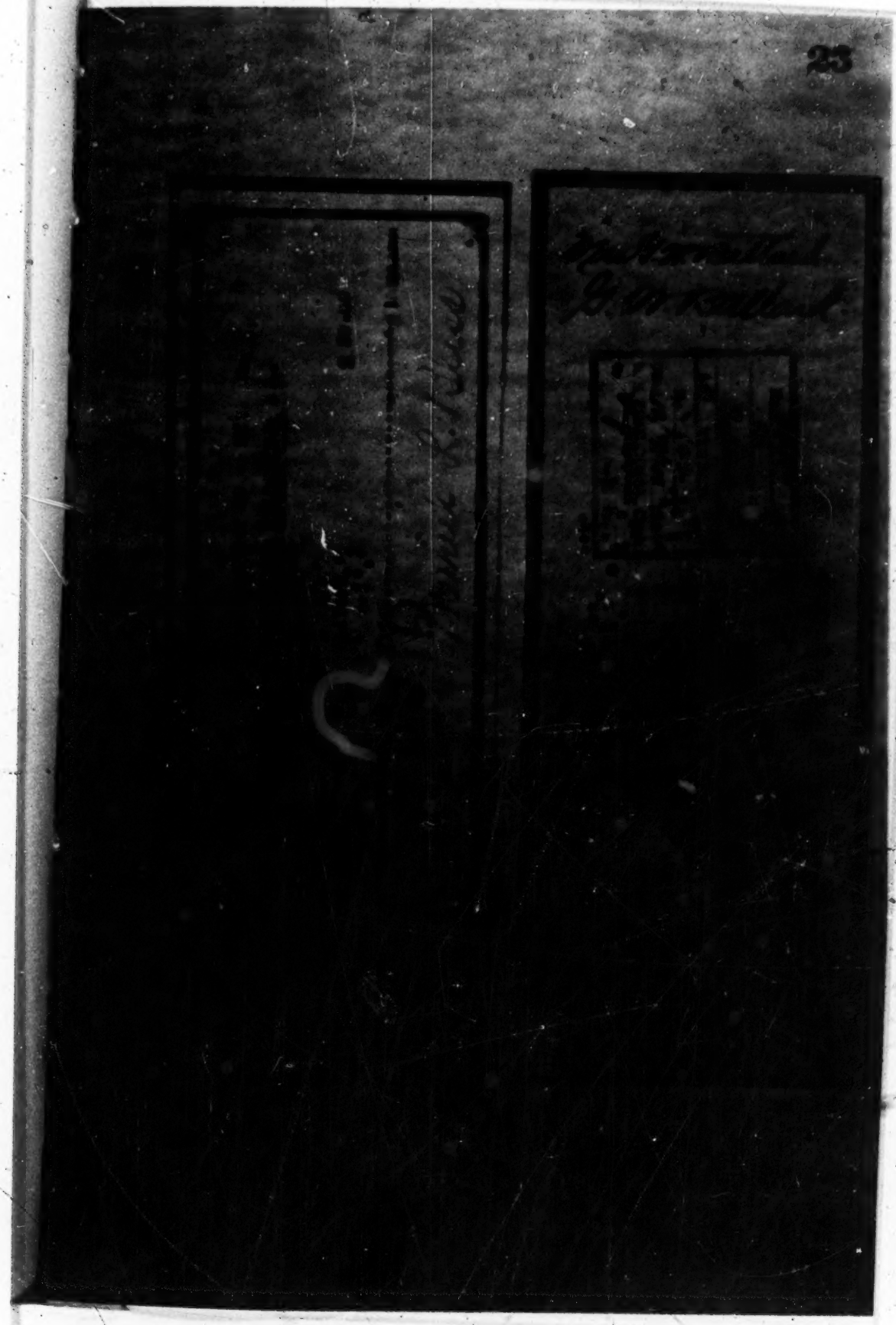
not die, and that during such ascension said persons would have the ability to and would associate with alleged divine entities and "ascended masters" and would at their pleasure be able to return from their ascended position to earth and reascend if they so desired. And did further represent that persons who had accepted the teachings and doctrines taught by the defendants had in fact so ascended in their physical, tangible and earthly bodies; whereas in truth and in fact the defendants, and each of them, had no foundation for such representations and knew that said representations were false and fraudulent;

(19) That all of said representations, pretenses, and promises were made, or caused to be made, by the defendants to the said persons intended to be defrauded, and as a part of the said scheme and artifice to defraud the said persons intended to be defrauded, as aforesaid; that said representations, pretenses, and promises were made, and caused to be made by said defendants to said persons intended to be defrauded through, and by means of, certain oral statements, books, magazines, letters, radio broadcasts, writings, and papers so worded, constructed and expressed as to deceive, and they were then and there intended to deceive the said persons intended to be defrauded, and any [14] person who might hear or receive them, which oral statements, books, magazines, letters, radio broadcasts, writings, and papers are too numerous and too voluminous to be set forth in this indictment, and for that reason the grand jurors aforesaid omit the same;

(20) At the time of making all of the aforealleged representations by the defendants, and each of them, the defendants, and each of them, well knew that all of said aforementioned representations were false and untrue and were made with the intention on the part of the defendants, and each of them, to cheat, wrong, and defraud persons intended to be defrauded, and to obtain from persons intended to be defrauded by the defendants, money, property, and other things of value and to convert the same to the use and the benefit of the defendants, and each of them; and the defendants intended to and did, in fact, by reason of the aforementioned representations, enrich themselves from the class of persons above described as the persons intended to be defrauded and obtain money, property, and other things of value which the defendants, and each of them, intended to and did convert to themselves under the guise and pretense of salaries, loans, bonuses, "love gifts," donations, expensive and luxurious living accommodations, and expensive traveling facilities;

That the defendants, on or about December 20, 1938, then having devised the said scheme and artifice, for the purpose of executing the same and attempting so to do, at Los Angeles, County of Los Angeles, state, division and district aforesaid, and within the jurisdiction of the United States and of this Honorable Court, unlawfully and feloniously did knowingly cause to be delivered by mail according to the directions thereon, a certain check in a

postpaid envelope addressed to Mrs. G. W. Ballard, at Los Angeles, California, which said check had theretofore been deposited in the Post Office Establishment of the United States for mailing and delivery, and which said check was thereafter delivered to said addressee by the Post Office Establishment of the United States at [15] such address, and within the Central Division of the Southern District of California, and within the jurisdiction of the United States and of this Honorable Court, and which said check was of the following tenor, to-wit:



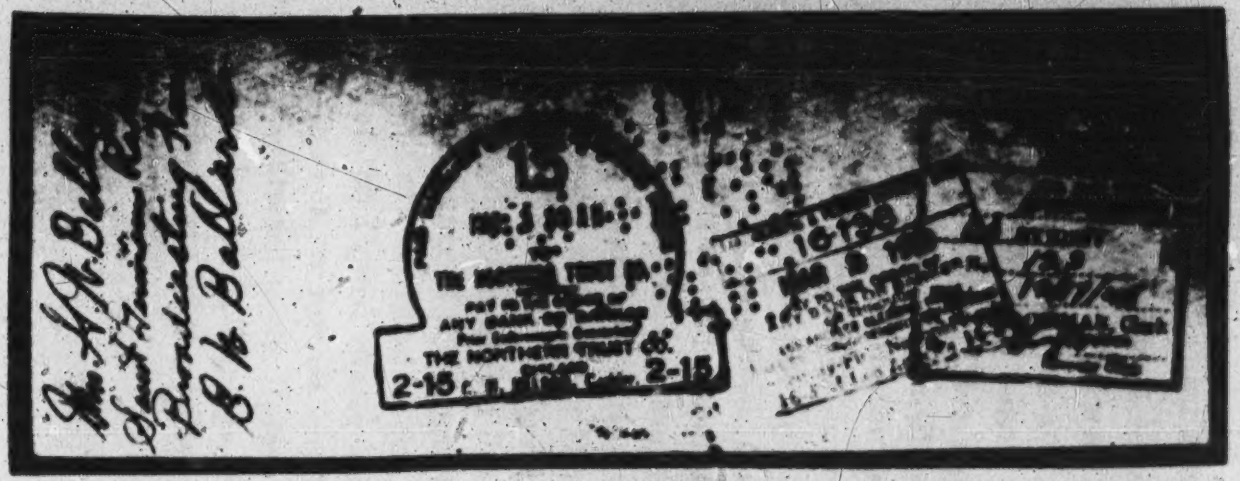
Contrary to the form of the statute in such case made and provided and against the peace and dignity of the United States of America. [16]

Second Count

And the grand jurors aforesaid, upon their oath aforesaid, do further present:

That they do reallege and incorporate herein, as if again set forth at length, all of the allegations of the first count of this indictment, except those allegations alleging the mailing of the check referred to in said count and therein described:

That the defendants, on or about February 21, 1939, then having devised the said scheme and artifice, for the purpose of executing the same and attempting so to do, at Los Angeles, County of Los Angeles, state, division and district aforesaid, and within the jurisdiction of the United States and of this Honorable Court, unlawfully and feloniously did knowingly cause to be delivered by mail, according to the directions thereon, a certain check in a postpaid envelope addressed to Allied Advertising Agencies, Inc., at Los Angeles, California, which said check had theretofore been deposited in the Post Office Establishment of the United States for mailing and delivery, and which said check was thereafter delivered to said addressee by the Post Office Establishment of the United States at such address, and within the Central Division of the Southern District of California, and within the jurisdiction of the United States and of this Honorable Court, and which said check was of the following tenor, to wit: [17]



CHICAGO, Feb 21 - 1939 No.

Pay to the order of Mrs. S. [illegible] $3.00

Three and [illegible]/100 Dollars

C 111184

Arthur F. Blair

82

Contrary to the form of the statute in such case made and provided and against the peace and dignity of the United States of America. [18]

Third Count

And the grand jurors aforesaid upon their oath aforesaid do further present:

That they do reallege and incorporate herein, as if again set forth at length, all of the allegations of the first count of this indictment, except those allegations alleging the mailing of the check referred to in said count and therein described:

That the defendants, on or about April 8, 1939, then having devised the said scheme and artifice in said first count described, for the purpose of executing the same and attempting so to do, at Los Angeles, County of Los Angeles, state, division and district aforesaid, and within the jurisdiction of the United States and of this Honorable Court, unlawfully and feloniously did knowingly place and cause to be placed in the United States Post Office at Los Angeles, County of Los Angeles, State of California, to be sent and delivered by the Post Office Establishment of the United States according to the directions thereon, a certain check in a postpaid envelope addressed to the Uptown State Bank, Broadway and Lawrence, Chicago, State of Illinois, and which check was of the following tenor, to-wit [19]

Aff. 3-
Mrs.
C 111215

Contrary to the form of the statute in such case made and provided and against the peace and dignity of the United States of America. [20]

Fourth Count

And the grand jurors aforesaid upon their oath aforesaid do further present:

That they do reallege and incorporate herein, as if again set forth at length, all of the allegations of the first count of this indictment, except those allegations alleging the mailing of the check referred to in said count and therein described:

That the defendants, on or about January 24, 1939, then having devised the said scheme and artifice in said first count described, for the purpose of executing the same and attempting so to do, at Los Angeles, County of Los Angeles, state, division and district aforesaid, and within the jurisdiction of the United States and of this Honorable Court, unlawfully and feloniously did knowingly place and cause to be placed in the United States Post Office at Los Angeles, County of Los Angeles, State of California, to be sent and delivered by the Post Office Establishment of the United States according to the directions thereon, a certain letter in a post-paid envelope addressed to Mr. and Mrs. Arthur Bliss, 7389 North Damen Avenue, Chicago, Illinois, and which letter was of the following tenor, to-wit:

[21]

U. S. EXHIBIT NO. 130

The Biltmore Hotel
Los Angeles

January 18, 1939.

Mr. & Mrs. Arthur Bliss
7389 N. Damen Ave.,
Chicago, Ill.

Precious, Beloved Ones,

May the Full Activity of the Great Cosmic Light and Cosmic Love so permeate the consciousness of you and your beloved ones that you are held forever in that Full Ascended Master feeling of Victory over every human appearance!

Beloved Ones, do not think for one moment that we have forgotten you because we have not written before. We know that you can fully appreciate the great demands upon us at Christmas time and we have been pouring constantly to you and all of the beloved ones in Chicago the mightiest outpouring of Cosmic Light and Love that transmutes every human appearance into Divine Perfection.

"Know always:—"I AM THE ONLY GOVERNING AND ACTING PRESENCE AND POWER IN EVERY HUMAN FORM", regardless of what the appearance seems to manifest. Be so alert in the consciousness of your own "Mighty I Am Presence" which sees, knows, feels and hears only Perfection that the human appearance can never hold your attention for one second.

We both want to thank you with all our hearts and express our deep gratitude and appreciation

for your gift to us at Christmas time and also for your great service and love to the blessed ones there. Know that the "All Seeing" Eye of God knows all the many beautiful services that you have rendered that have not always been given outer recognition. It is so wonderful to know that that Light which is the "I Am" in you is the Light that Lights every man that comes in contact with you.

We rejoice with you over your many Victories and we are decreeing that each day shall be filled with Ascended Master Miracles of Perfection for each one of you. Know that our arms are ever about you, holding you close to that Perfection which you are in the full consciousness of your own Presence. It will not be long now before we will be with you blessed ones in Chicago and what a marvelous feast we will have together.

We call to the Secret Love Star to keep pouring continuously into your bodies and world Its Mighty Light Substance until your final Victory—the Ascension in the Light. With all the Love of our own "Mighty I Am Presence" to enfold each one forever.

Lovingly yours in the Service of the Light.

MAMMA & DADDY.

GWB:MK

[Envelope]

The Ballards
The Biltmore Hotel
Los Angeles

Mr. and Mrs. Arthur Bliss
7389 N. Damen Ave.,
Chicago, Ill.

Contrary to the form of the statute in such case made and provided and against the peace and dignity of the United States of America. [22]

Fifth Count

And the grand jurors aforesaid upon their oath aforesaid do further present:

That they do reallege and incorporate herein, as if again set forth at length, all of the allegations of the first count of this indictment, except those allegations alleging the mailing of the check referred to in said count and therein described:

That the defendants, on or about October 31, 1939, then having devised the said scheme and artifice, for the purpose of executing the same and attempting so to do, at Los Angeles, County of Los Angeles, state, division and district aforesaid, and within the jurisdiction of the United States and of this Honorable Court, unlawfully and feloniously did knowingly cause to be delivered by mail according to the directions thereon, a certain letter signed in typing "Saint Germain," in a postpaid envelope addressed to Mr. Harry N. Rogers, 353 Van Ness Avenue, Los Angeles, California, which said letter

had theretofore been deposited in the Post Office Establishment of the United States for mailing and delivery, and which said letter was thereafter delivered to said addressee by the Post Office Establishment of the United States at such address, and within the Central Division of the Southern District of California, and within the jurisdiction of the United States and of this Honorable Court, and which said letter was of the following tenor, to-wit:

[23]

U. S. EXHIBIT No. 177

Philadelphia's Foremost Hotel
THE BENJAMIN FRANKLIN
Chestnut at Ninth Street

Mr. Harry N. Rogers,
353 Van Ness Ave.,
Los Angeles, Calif.

Philadelphia
Oct. 31, 1939

Mr. Rogers:

In continuing your Group, it must be understood that Sanat Kumara, the Divine Director and Myself release all the students from their promise to stand by your Group. That was only intended to be while you were serving on the Staff of the Messengers.

Since you are there, you must take the full responsibility in your call to your "Mighty I AM Presence" for your money supply.

Not one dime more shall be contributed to Catheine Rogers or Virginia LaFerrera's support by the students. Any student who does this against My

Wish automatically dismisses himself or herself from this Light!

All Love Gifts for the Group Leaders' letter, which will soon be under way again must be sent to the Saint Germain Press, P.O. Box 1133, Chicago, Illinois.

All Love Gifts for the preparation and conducting of the coming Los Angeles Class at the Shrine Auditorium, for the stage, flowers, decorations, expenses, etc. must be handed or sent to the group of individuals selected for that purpose to carry out the direction of Ratana and Sindelars, whom I have selected to take charge of the coming Class in Los Angeles.

Copies of this letter will be sent to Ratana and the Sindelars. I ask you and them to read it at three consecutive Group Meetings immediately upon your receiving it, so all may understand My Wishes.

SAINT GERMAIN

Contrary to the form of the statute in such case made and provided and against the peace and dignity of the United States of America. [24]

Sixth Count

And the grand jurors aforesaid upon their oath aforesaid do further present:

That they do reallege and incorporate herein, as if again set forth at length, all of the allegations of the first count of this indictment, except those allegations alleging the mailing of the check referred to in said count and therein described:

That the defendants, on or about November 11, 1939, then having devised the said scheme and artifice, for the purpose of executing the same and attempting so to do, at Sierra Madre, County of Los Angeles, state, division and district aforesaid, and within the jurisdiction of the United States and of this Honorable Court, unlawfully and feloniously did knowingly cause to be delivered by mail according to the directions thereon, a certain letter in a postpaid envelope addressed to Mrs. Portia Terry, at 15 Vista Circle Drive, Sierra Madre, California, which said letter had theretofore been deposited in the Post Office Establishment of the United States for mailing and delivery, and which said letter was thereafter delivered to said addressee by the Post Office Establishment of the United States at such address, and within the Central Division of the Southern District of California, and within the jurisdiction of the United States and of this Honorable Court, and which said letter was of the following tenor, to-wit: [25]

[U. S. EXHIBIT NO. 194]

[Envelope]

Betty O. Mundy
Hotel Washington
Penna Ave. at 15th Street
Washington, D. C.

Via Air Mail

Mrs. Portia Terry,
15 Vista Circle Drive,
Sierra Madre, Calif.

Hotel Washington
Penna Ave. at 15th Street
Washington, D. C.

Nov. 11, 1939.

Dear Portia:

I have kept the envelope you mailed mama's letter in on my desk ever since, hoping that I would get a letter to you each day, but these have been busy and strenuous days and there has been little time for anything.

As you know the class here is the Philadelphia Class and closes tomorrow night. It has been such a joy to have this closed class and I hope all in the future will be closed, altho that we do not yet know, altho we do know the coming Washington Class beginning on the 24th will be closed.

The radiation that is released in that room and the way the Decrees are given is enough to lift the roof off, but we don't voice that out-loud or Pegler might want the hotel to put us out. We are in the lower room away from everybody and the doors are closed and locked promptly at 2 PM and 8 PM and which ever side of the door you are on at that time determines where you will stay until the class is over. Consequently there is much discipline going on as well.

In fact, it seems to me the students are just beginning to realize what a responsibility they have and how much they have to do with themselves to be willing to be obedient; and they are realizing now with these closed classes if they are not—out

they go and out they stay. There is no monkey-doodle-business any more—you either do or you don't. The vibratory atmosphere of the room is not to be disturbed by people moving about, etc., and they are all like lambs—so far—God Almighty see that they remain so.

You could hear a pin drop in the hall and everybody are paying strict attention. They come and sit still without voicing one word of any kind after they pass the door into the hall. Absolute silence reigns everywhere—you could cut it with a knife. Anybody who wants the Light now can get it.

Of course much new material is coming thru which could not be given to an open class, things on the use and action of the Light Rays, etc. But—there is also a ruling that no notes are to be taken and this is iron-clad, so nobody will be passing or reading notes they have taken in the future. Mama also said this morning no information verbally is to be given out when people return to their homes. If people want to know what is going on they must come and find out for themselves; altho you had better be prepared to give your life's history as you sign a long agreement that you will do certain things and not do certain things. You cannot get in without a ticket and show that at the door each time.

Gee are we getting tough. However, the results have been so transcendent that no earnest student should object to being obedient to such rules, for the privilege of sitting in that vibratory action

where there is only peace and harmony and you could reach out and take hold of the substance, almost, surely it is a blessing of all life-times. I only hope it continues forever, forever and forever.

The seven opening Decrees are given in the Contemplation or rather during the Announcements, then when dady and mama come on they go directly into the Invocation; then Violet sings, then dady and mama say their say. Just before we close the audience sings a song and issues a Decree, then the Benediction. Whether this rule will be followed elsewhere I do not know, but that is the way this class is conducted.

There have been no dictations as yet, so we do not know what has taken place on the Inner Levels, but surely there has been enough Energy released here to lift the planet into its ascension and I am anxiously waiting tomorrow when we hope to hear something about the accomplishment of the past week.

How I wish you might have been here for the class, but not the other things; for believe me this has been some experience. However, it all goes with carrying the Light, and we have been warned in every dictation since and during the Shrine Class—words to this effect: "You will need all the strength and energy to meet that which you will meet in the near future," well we have at least met up with part of it—I hope the worst part, but out of it all we are so much wiser, so much more alert, so much more grateful to the Great Powers of Light, so much more grateful to be a part of the Light

rather than on the other side of the fence opposing It. What a privilege is ours.

The clan is gathering from all over the country, at least the east for today and tomorrow; New York, Boston, Phila., Cleveland, and Chicago, as well as smaller places, and already I can begin to feel the Radiation oozing up here on the eighth floor.

5:30 P. M. Had to leave at this point and just now returned from Childs where I had dinner, so will attempt to finish before going back to the evening class. Mama sure did give it to them this afternoon and the lid on all information concerning closed classes is on so tight that if anything leaks out, God help the one thru whom it comes; for it is going to be like digging for diamonds to get one of those tickets once they are removed—which has already been done in a few instances. We are going to have obedience, or you go out on your ear. Most of them are taking it on the chin and the greater majority are heartily in favor of the new plan, realizing it is the only way to gain complete Freedom. One would have to follow those same rules in a Retreat, so why not here?

I have just rambled on, but what am I to say when there are to be no notes or anything given out, and far be it from me to give out anything now, unless I have a written guarantee that my head will still be left in its place. The gillotine don't appeal to me and never did, so I will be good.

This may give you a slant on things, even tho I have given forth no news. It will give you something to start looking forward to, for if that Shrine

class is closed (which we are all praying it will be) then those students are going to learn a whole lot in a very short time. I guess many of them can well stand to be held off and given the once-over. Reports from there are not so hot; but it is the testing time of the ages and all must choose ye whom you will serve.

Portia I think of you often, but you know how much time I have for letter writing. I have missed you all during this eastern trip, but there have been times when I was so grateful that none of you were along that I am sure the Presence has guided you. Only going thru such a thing does one grasp how much viciousness is in the world and just how low people will stoop—but—"the Light of God never fails," and never will, but it tested the metal of everyone; and I am sure it gave Saint Germain an opportunity to see what each one was made of and whether or not they really were good soldiers.

Give my love and Blessings to Don, Marjory and Louise. I have heard little from any of you, for dady and mama are so busy and with the additions to the Group with us it seems I never find them alone. Things are so different than formerly and it all seems so strange. I sometimes pinch myself and wonder whether it is really me and what it is all about; but one must not even waste energy in imagining things—just keep on sawing wood and make the grade yourself.

With a great big portion of my Love to you, and please do excuse this rambling letter, but it has been done on the installment plan—there may never be

another like it, but it is from the heart. That should mean something.

Always in the Light,

BETTY O. M.

Contrary to the form of the statute in such case made and provided and against the peace and dignity of the United States of America. [26]

Seventh Count

And the grand jurors aforesaid upon their oath aforesaid do further present:

That they do reallege and incorporate herein, as if again set forth at length, all of the allegations of the first count of this indictment, except those allegations alleging the mailing of the check referred to in said count and therein described:

That the defendants, on or about August 1, 1938, then having devised the said scheme and artifice in said first count described, for the purpose of executing the same and attempting so to do, at Los Angeles, County of Los Angeles, state, division and district aforesaid, and within the jurisdiction of the United States and of this Honorable Court, unlawfully and feloniously did knowingly place and cause to be placed in the United States Post Office at Los Angeles, County of Los Angeles, State of California, to be sent and delivered by the Post Office Establishment of the United States according to the directions thereon, a certain letter in a postpaid envelope addressed to Muriel Bliss at Kimball

Hall, Chicago, State of Illinois, and which said letter was of the following tenor, to-wit: [27]

[U. S. EXHIBIT No. 127]

[Envelope]

Mr. G. W. Ballard
The Biltmore Hotel
Los Angeles
Via Air Mail

Mrs. Muriel Bliss,
"I Am" Reading Room,
Kimball Hall,
Chicago, Ills.

Personal

Biltmore Hotel,
Los Angeles, Calif.,
August 1, 1938.

Mrs. Muriel Bliss,
"I Am" Reading Room,
Kimball Hall,
Chicago, Illinois.

Beloved Student:

Saint Germain has just dictated the enclosed letter and we send copy for your special information.

Saint Germain's request is as follows: "Under no circumstances allow any one to have a copy of this letter, except yourself. Please keep this copy on your person and let no one copy it.

Please respect His Request, and with this information you will be able to correct any statement

that may come to you concerning this so-called "precipitated" child.

Our Love and Blessings enfold you always.

Eternally in the Light,

MR. AND MRS. G. W. BALLARD

By G. W. BALLARD.

Biltmore Hotel,
Los Angeles, Calif.,
August 1, 1938.

Mr. Paul Stickell,
Richmond, Va.

Beloved Messenger:

I am sending you this letter to prevent further misunderstanding or acceptance of the unfortunate condition in Richmond.

There is not one word of Truth nor Reality in this pretense of precipitated articles nor the child. The child was born of human parentage and this wild orgy of fanaticism must be stopped at once.

Lucille Leslie or Silver is in the hands of treacherous, deceitful psychic forces, and should be given no credence of any kind.

I am sorry that Dr. and Mrs. Liles have been so deceived. This deceit and treachery has nothing to do with the "I Am" Work. I have not appeared to her at any time. Neither has any one of the other Ascended Masters.

I am very grateful Dear Paul that you are going to Richmond that this unfortunate condition may be corrected.

If any of the students refuse to believe the Truth of these Words, then the results must be upon their own heads; and this should be a lesson to all "I Am" Students all over America not to be deceived by these foolish pretenses, as you know various attempts in the assumption to produce phenomena or precipitation have occurred several times.

All have been exposed and I trust this will end these attempts anywhere among the students.

Thanking you sincerely for your very great service rendered, I hold you forever in the Glory of your "Mighty I Am Presence" and the full Power of My Divine Love and Blessings.

SAINT GERMAIN.

Contrary to the form of the statute in such case made and provided and against the peace and dignity of the United States of America. [28]

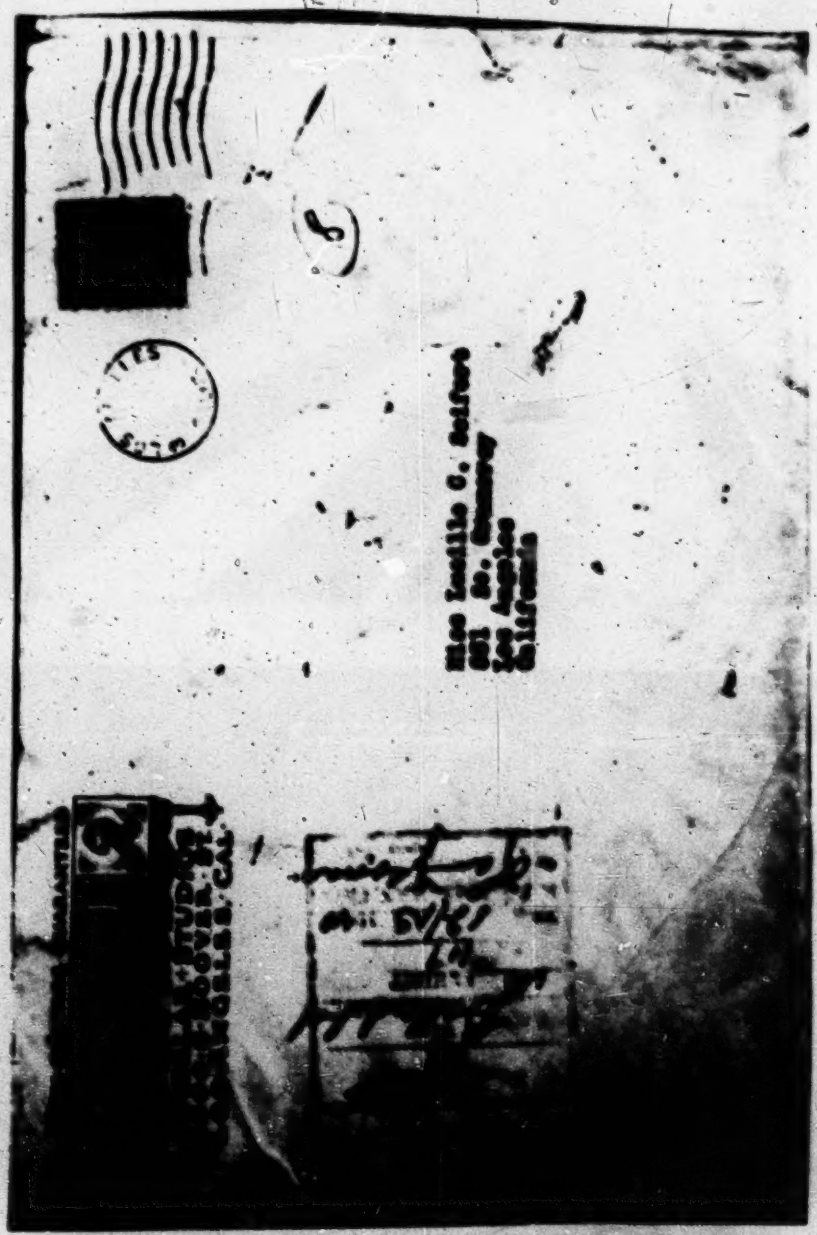
Eighth Count

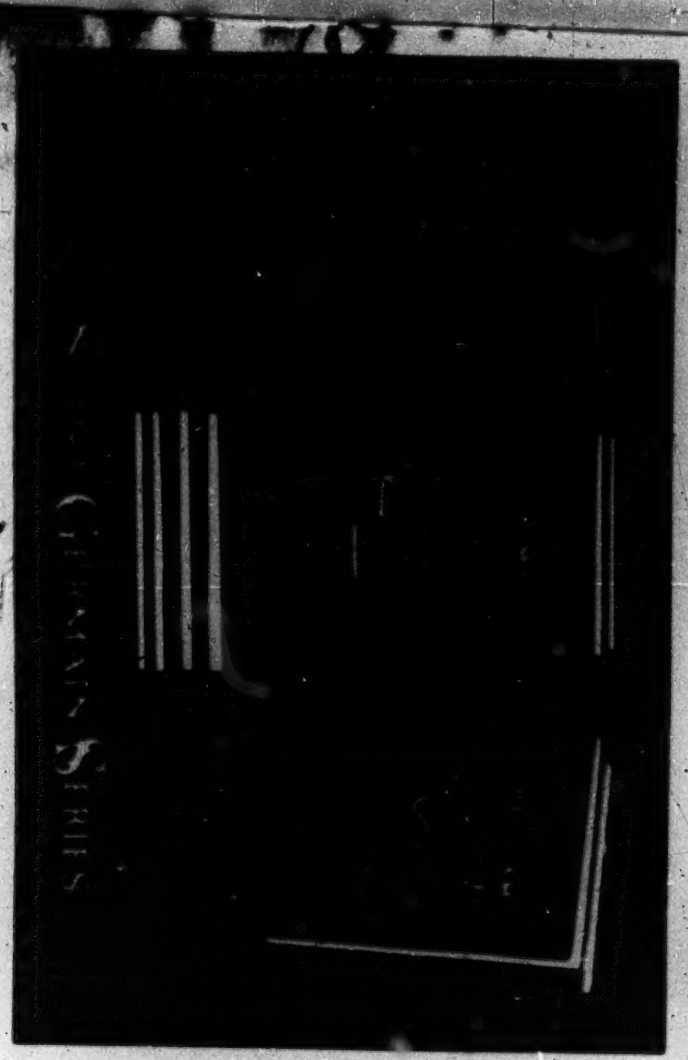
And the grand jurors aforesaid upon their oath aforesaid do further present:

That they do reallege and incorporate herein, as if again set forth at length, all of the allegations of the first count of this indictment, except those allegations alleging the mailing of the check referred to in said count and therein described:

That the defendants, on or about June 21, 1940, then having devised the said scheme and artifice, for the purpose of executing the same and attempting so to do, at Los Angeles, County of Los Angeles,

state, division and district aforesaid, and within the jurisdiction of the United States and of this Honorable Court, unlawfully and feloniously did knowingly cause to be delivered by mail according to the directions thereon, a certain magazine known as "The Voice of the I Am," to-wit: the June 1940 edition—which magazine is too voluminous to attach to the herein indictment and for that reason omitted, but in lieu and instead thereof there is set forth a photostatic copy of the front and back of said magazine and said magazine is further described as being one which consists of thirty-eight numbered pages containing discourses, copies of radio broadcasts, and other writings, together with pictures and an announcement of radio broadcasts to be given, and also advertisements of books, charts, music, records and other articles offered for sale—in a postpaid envelope addressed to Miss Lucille C. Seifert, 551 So. Gramercy, Los Angeles, California, which said magazine had theretofore been deposited in the Post Office Establishment of the United States for mailing and delivery, and which said magazine was thereafter delivered to said addressee by the Post Office Establishment of the United States at such address, and within the Central Division of the Southern District of California, and within the jurisdiction of the United States and of this Honorable Court, and a portion of which said magazine was of the following tenor, to-wit: [29]





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Contrary to the form of the statute in such case made and provided and against the peace and dignity of the United States of America. [30]

Ninth Count

And the grand jurors aforesaid upon their oath aforesaid do further present:

That they do reallege and incorporate herein, as if again set forth at length, all of the allegations of the first count of this indictment, except those allegations alleging the mailing of the check referred to in said count and therein described:

That the defendants, on or about November 29, 1939, then having devised the said scheme and artifice in said first count described, for the purpose of executing the same and attempting so to do, at Los Angeles, County of Los Angeles, state, division and district aforesaid, and within the jurisdiction of the United States and of this Honorable Court, unlawfully and feloniously did knowingly cause to be placed in the United States Post Office at Los Angeles, County of Los Angeles, State of California, to be sent and delivered by the Post Office Establishment of the United States according to the directions thereon, a certain letter in a postpaid envelope addressed to Mr. G. W. Ballard, Washington Hotel, Washington, D. C., the original of which letter was so mailed and which certain letter was substantially of the following tenor, as is evidenced by the carbon copy, a photostat of which is attached hereto, to-wit: [31]

[U. S. EXHIBIT No. 215]

353 N. Van Ness Ave.
Los Angeles, Calif.
Nov. 29, 1939.

Mr. G. W. Ballard,
Washington Hotel,
Washington, D. C.

Dear One:

This is just a brief note to let you know that when the telegram of Saint Germain's, dated Nov. 12, 1939, arrived it seemed as though the end of the world had come for me. Certainly it was the most unexpected thing that ever could have happened. It seems incredible to me. I do know I have given my all into this Activity—my very Life and Soul as well. I do know that the Good which the "Great Presence" was able to do through me will live Forever, and all else will be dissolved into its nothingness. It seems to me now, as I reflect, that the continuous statements of the Ascended Masters in the Dictations, saying how much was needed in getting out our Decrees "as never before"—for the Protection of America and all mankind—I became so imbued with the ideal of trying to render a Service, that that became an all-consuming desire—and possibly blinded me to other things. In the very great unhappiness of so many conditions existing at the same time, it may be that things were done in a way that seems like a miracle of Perfection compared to the way they might have been done.

The instructions in the telegram were carried out to the letter. I read it to the Group as directed. We had a short meeting, and then closed with a final Decree for the blessing and Invincible Protection for you, Lotus and Donald, and all your near and dear ones, and to make the coming Washington and Shrine Classes the most transcendent ever held. Then the Groups were dismissed and disbanded.

After winding up our Group affairs there was left in the reserve fund Three Hundred ($300) Dollars. Enclosed is a Cashier's Check from the Bank of America for that amount for you to use in any way you wish.

Thank you, dear Ones, for your willingness to carry this wonderful message of the "Mighty I Am Presence" and the Ascended Masters to the world. Thank you for the opportunity you gave me to try to serve. It has already been my joy to render a service to the Light these last two weeks which will make things just a little easier for you than otherwise might have been. I shall continue on in my endeavor. The only thing to live for is to try to render a service to the Light. I shall endeavor to do that throughout eternity. May the Infinite Blessings of Eternal Light drench you, Lotus, Donald, and all your near and dear ones, now and forever, with every good and Perfect Gift, and make your way beautiful, harmonious and Perfect. With all the Love of my heart, sincerely

In the Service of the Light,

HARRY N. ROGERS.

HNR

Contrary to the form of the statute in such case made and provided and against the peace and dignity of the United States of America. [32]

Tenth Count

And the grand jurors aforesaid upon their oath aforesaid do further present:

That they do reallege and incorporate herein, as if again set forth at length, all of the allegations of the first count of this indictment, except those allegations alleging the mailing of the check referred to in said count and therein described:

That the defendants, on or about January 25, 1940, then having devised the said scheme and artifice in said first count described, for the purpose of executing the same and attempting so to do, at Los Angeles, County of Los Angeles, state, division and district aforesaid, and within the jurisdiction of the United States and of this Honorable Court, unlawfully and feloniously did knowingly place and cause to be placed in the United States Post Office at Los Angeles, County of Los Angeles, State of California, to be sent and delivered by the Post Office Establishment of the United States according to the directions thereon, a certain letter in a postpaid envelope addressed to Mr. Harry N. Rogers, Occidental Life Ins. Co., 756 So. Spring St., Los Angeles, California, and which letter was of the following tenor, to-wit: [33]

[U. S. Exhibit No. 217]

The Biltmore Hotel
Los Angeles

January 25, 1940.
Apt. U.

Mr. Harry N. Rogers,
Occidental Life Ins. Co.,
756 So. Spring St.,
Los Angeles, Calif.

Dear Harry:

Having been behind the scenes and knowing something of what goes on, then adding to that the recent experiences we have been thru, we feel you will understand the delay in acknowledging receipt of the two checks you sent, which represented Love Gifts from your Group, now closed.

We wish to thank you with all our hearts for this acknowledgment of your loyalty to the Light and we bless you for same. We assure you we have blessed it and asked our Blessed Daddy to see that it is amplified a million fold and go forth to render blessings to mankind; also those who have contributed to this fund.

We are calling to our Beloved Saint Germain and Daddy to render you whatever assistance the Law of your Life Stream will permit, to charge you with the peace, harmony and freedom to which you are entitled and give to you your Freedom in this embodiment.

Kindly accept Don's and my sincere appreciation of your kind remarks and blessings, and we are always,

Sincerely in the Service of the Light,

MRS. G. W. BALLARD
DONALD BALLARD
By MRS. G. W. BALLARD

Contrary to the form of the statute in such case made and provided and against the peace and dignity of the United States of America. [34]

Eleventh Count

And the grand jurors aforesaid upon their oath aforesaid do further present:

That they do reallege and incorporate herein, as if again set forth at length, all of the allegations of the first count of this indictment, except those allegations alleging the mailing of the check referred to in said count and therein described:

That the defendants, on or about September 9, 1940, then having devised the said scheme and artifice in said first count described, for the purpose of executing the same and attempting so to do, at Los Angeles, County of Los Angeles, state, division and district aforesaid, and within the jurisdiction of the United States and of this Honorable Court, unlawfully and feloniously did knowingly place and cause to be placed in the United States Post Office

at Los Angeles, County of Los Angeles, State of California, to be sent and delivered by the Post Office Establishment of the United States according to the directions thereon, a certain letter and "Special Notice" in a postpaid envelope addressed to Gladys Ethel Kemp, 110 W. Lomita Avenue, Glendale, California, and which letter was of the following tenor, to-wit: [35]

[U. S. Exhibit No. 104]

[Envelope]

Mrs. G. W. Ballard
If not delivered return to
The Biltmore Hotel
515 So. Olive Street
Los Angeles, Calif.

Gladys Ethel Kemp
110 W. Lomita Ave.
Glendale, Calif.

The Biltmore Hotel
Los Angeles

September 9, 1940

Gladys Ethel Kemp
110 W. Lomita Ave.
Glendale, Calif.

Beloved One of the Light:

Your registered letter of August 24th was duly received, but because of important duties to perform, it has been impossible to reply sooner.

In going over our previous correspondence with you, I find that in our letters we stated the Law very clearly, but as you know we never give advice, or tell others what they should do, other than to call the Law into action. I made the call on a number of occasions for the boy's release, and for his own Higher Mental Body to put him where he belongs, and that Perfection manifest to all concerned. I do not know personally whether his place is with you, or with his parents, but I do know that having called the Law into operation, and holding Harmony in the feeling world, that Law would have to operate for both him and all others concerned.

Regarding my furnishing you with money to go into court to press this matter, wish to state that I never made the statement that the money coming in from the Love Gifts was reserved for such purposes. I have stated many times that all money coming in belonged to Saint Germain, and would be used for the Expansion of the Light, but there has never been any provision made by Him that this money could be used for individual's personal use.

The "I Am" School is an independent activity, and in no way connected with this activity financially, nor would it be obligated to furnish money for such a condition.

If you are a real "I Am" Student, and have attended the Classes, then you must know the Law concerning the release of finances—that you cannot look to persons, places, conditions or things, but you must call to your "Mighty I Am Presence" to re-

lease it from the perfect channel it desires, and if you will stand unwavering without fear and doubt, you will find that coming forth.

I call the Infinite Powers of Light into action to flood your being and world with an abundance of every good thing, to charge you with Happiness, Peace, and Victory's Victories and Miracles of the Light, eternally sustained and ever-expanding.

Sincerely in the Light
MRS. G. W. BALLARD
By MRS. G. W. BALLARD

Special Notice

Since writing the copy for the Notice of our Beloved Messenger's Records in the May "Voice," we have succeeded in securing a beautiful blue transparent, flexible material for making our phonograph records in the future, and because of the special healing quality and vibratory action of same it will add much to the value of these records.

The new pressings of our Messenger's Records now being made and all pressings in the future of the instrumental and vocal records, will be made from this new material.

We know you will be happy to have these beautiful blue records as they carry a special healing radiation. We have been working on these for a long time and now feel they are perfected to the point where we can offer them to the public.

Please send orders for all phonograph records direct to the Saint Germain Press, Inc., Los An-

geles, Calif., P. O. Box 428, as all shipments in the future will be made from Los Angeles direct, instead of the Chicago Office.

Because of the increased cost of this special material, it will be necessary to increase the cost slightly. Prices will be as follows:

All double faced records made from blue transparent material $3.00 each—Shipping charges extra.

All records now on hand made from the regular material will be sold at the prices as formerly quoted. $2.50 for double faced records—Shipping charges extra.

MRS. G. W. BALLARD and
DONALD.

Contrary to the form of the statute in such case made and provided and against the peace and dignity of the United States of America. [36]

Twelfth Count

And the grand jurors aforesaid upon their oath aforesaid do further present:

That

EDNA W. BALLARD, alias Saint Germain, Jesus, Joan of Arc, Lotus Ray King, Chanera;
DONALD BALLARD, alias Edona Eros Ballard, Lafayette;
BETTY MUNDY;
PAUL STICKELL;
LOUISE MAJERUS; and
WILLIAM J. CASSIERE,

the identical persons named in the first count of this indictment and hereinafter referred to as the defendants, heretofore, to-wit: prior to the dates of the commission of the overt acts hereinafter alleged, and continuously thereafter down to and including the date of the filing and return of this indictment, at Los Angeles, California, in the Central Division of the Southern District of the State of California and within the jurisdiction of this Court and at divers other places within the jurisdiction of this Court and in the states of Illinois, Ohio, New York, Utah, Florida, Texas, the District of Columbia, and at various other places to the grand jurors unknown except as herein set forth, did knowingly, wilfully, unlawfully, corruptly, fraudulently, and feloniously conspire, combine, confederate and agree among themselves and with each other and with other persons whose names are to the grand jurors unknown, and with Guy W. Ballard, alias Saint Germain, Divine Messenger, Jesus, and Godfre Ray King (up to and including the date of the death of the said Guy W. Ballard), Carolie Hendrickson, John C. Koster, Harry N. Rogers, and Ted Dahl, named as co-conspirators but not indicted herein, to commit certain offenses against the United States, that is to say, that they, the said defendants, did so knowingly, wilfully, unlawfully, corruptly, and feloniously conspire, combine, confederate and agree among themselves and with each other and with other persons whose names are to the grand jurors unknown as aforesaid, [37]

3

to devise a scheme and artifice to defraud and to obtain money and property by means of false and fraudulent pretenses, representations, and promises from those persons and class of persons described and named in the first count of this indictment as the persons intended to be defrauded, and others, the names of whom are too numerous to set forth herein, and for the purpose of executing such scheme and artifice, to place and cause to be placed in the Post Office Establishment of the United States, letters, circulars, books, advertisements, bulletins, magazines and other mail matter addressed to various and sundry persons residing within the United States, the names and addresses of said persons, other than as stated in the preceding counts of this indictment, being to the grand jurors unknown;

That said scheme and artifice to defraud and to obtain money, property, and other things of value by means of false and fraudulent pretenses, representations and promises, which the said defendants so conspired to devise and execute as aforesaid, as more particularly set forth and described in the first count of this indictment, are hereby realleged and incorporated herein as if set forth at length;

And the grand jurors aforesaid, upon their oath aforesaid, do further charge and present that at the hereinafter stated times, in pursuance of, and in furtherance of, in execution of, and for the purpose of carrying out and to effect the object, design and purposes of said conspiracy, combination, confederation and agreement aforesaid, the hereinafter

named defendants did commit the following overt acts:

(1) That at various times, the exact dates of which are unknown, but in the year 1929, Guy W. Ballard had several conversations with Carl A. Pierce in the city of Los Angeles respecting the alleged communications Ballard claimed to have had with the alleged Saint Germain; [38]

(2) That within the year 1934, Guy W. Ballard and Edna Ballard published, sold and circulated a book known as the "Unveiled Mysteries;"

(3) That on or about the 6th day of September, 1934, Guy W. Ballard employed Harry F. Sieber as his business manager;

(4) That on or about November 21, 1934, at the city of Chicago, Illinois, the defendant Donald Ballard, alias Edona Eros Ballard, did cause to be written and did sign a certain letter addressed to "Dear Mr. Sieber;"

(5) That on or about the 15th day of January, 1935, Guy W. Ballard and Edna Ballard did engage Max Gysi as their business manager in connection with the "I Am" movement which they were then and there conducting;

(6) That on or about January 10, 1937, or shortly prior thereto, the defendant Edna Ballard did cause to be made certain corrections and additions to an alleged dictation of Jesus consisting in all of 11 pages, which said written instrument was termed and captioned as "Jesus' Morning Discourse on Mt. Olive—Lanning Class January 10, 1937;"

(7) That on or about August 16, 1937, at Seattle, Washington, the defendant Edna Ballard did originate and publish a certain two-page circular letter captioned "Further Instructions in Re: Radio Transcriptions," "Beloved Students of the Light."

(8) That on or about December 6, 1937, Ted Dahl did cause to be written and did sign a certain letter addressed to Mrs. Muriel Bliss, 4754 Virginia Avenue, Chicago, Illinois;

(9) That on or about March 28, 1938, at the city of Los Angeles, Ted Dahl did cause to be prepared and sent to Mrs. Muriel L. Bliss of Chicago, Illinois, a certain statement for charges for radio broadcasts;

(10) That in the year 1938, the exact date of which is unknown to grand jurors, the defendant William J. Cassiere did cause [39] to be published and circulated a certain leaflet pertaining to the "I Am" movement, under his name;

(11) That within the period of time from the year 1938 to and including the year 1940, the exact dates of which are unknown to the grand jurors, the defendant Paul Stickell did cause to be published and circulated a certain leaflet pertaining to the "I Am" movement, under his name;

(12) That on or about February 14, 1938, the defendant Edna Ballard did publish and cause to be published at Kansas City, Missouri, a two-page circular directed to "Precious Group Leaders," pertaining to radio broadcasting;

(13) That on or about June 30, 1939, at Los Angeles, California, Harry N. Rogers did originate and cause to be published a certain four-page circular letter addressed to "Blessed Crusaders of the Light," and did distribute the same among followers of the "I Am" movement;

(14) That on or about July 14, 1940, in the city of Los Angeles, State of California, at the Shrine Auditorium, Edna Ballard, Donald Ballard, Paul Stickell, Betty Mundy did participate in, attend, and assist in the conducting of a meeting before an assembly of followers attending the said Shrine Auditorium, which said meeting pertained to the teachings of the "I Am" movement.

Contrary to the form of the statute in such case made and provided and against the peace and dignity of the United States of America.

WM. FLEET PALMER,
United States Attorney,
RALPH E. LAZARUS,
Assistant U. S. Attorney,
NORMAN W. NEUKOM,
Assistant U. S. Attorney.

A True Bill.

DAVID E. LLEWELLYN,
Foreman.

[Endorsed]: Filed Apr. 9, 1941. R. S. Zimmerman, Clerk. By Edmund L. Smith, Deputy Clerk.

[Title of District Court and Cause.]

DEMURRER

Come now defendants, Edna W. Ballard, Donald Ballard, Betty Mundy, Paul Stickell, Louise Majerus and William J. Cassiere, and each of them, separately and individually, and for themselves alone, and demur to the indictment herein, and each and every count thereof, on the following grounds:

I.

That said indictment, and each and every count thereof, does not state an offense.

II.

That said indictment, and each and every count thereof, does not state an offense, in that said indictment, and each and every count thereof attacks and includes the entire religious beliefs of the defendants, and each of them, and seeks to attack the establishment of said religion or religious beliefs, or to prohibit or restrict the free exercise thereof, contrary to the Constitution of the United States, and the law of the land.

III.

That said indictment, and each and every count thereof, fails to state an offense, in that said indictment, and each and every count thereof, attacks the entire religious philosophy of said defendants, or the establishment thereof, or the free exercise thereof, and does not endeavor, nor in any place state, that any [41] part or portion of said religious

philosophy of itself violates any law of the United States, but merely seeks to establish that the defendants do not believe that which they purport to believe.

IV.

That said indictment, and each and every count thereof, does not state facts sufficient to constitute an offense, in that it appears on the face thereof, that the facts upon which the conviction will be sought are truly statements of opinion or of religious belief, and which are not subject to disproof under the Constitution of the United States, and of the law of the land.

V.

That Count 1 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks and includes the entire religious beliefs of the defendants, and each of them, and seeks to attack the establishment of said religion or religious beliefs, or to prohibit or restrict the free exercise thereof, contrary to the Constitution of the United States, and the law of the land.

VI.

That Count 1 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks the entire religious philosophy of said defendants, or the establishment thereof, or the free exercise thereof, and does not endeavor, nor in any place state, that any part or portion of said religious philosophy of itself violates any law

of the United States, but merely seeks to establish that the defendants do not believe that which they purport to believe.

VII.

That Count 1 of said indictment does not state an offense in that on the face of said indictment, and each and every count thereof, it appears that the facts upon which the conviction will be sought are truly statements of opinion or of religious belief, and [42] which are not subject to disproof under the Constitution of the United States, and of the law of the land.

VIII.

That Count 2 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks and includes the entire religious beliefs of the defendants, and each of them, and seeks to attack the establishment of said religion or religious beliefs, or to prohibit or restrict the free exercise thereof, contrary to the Constitution of the United States, and the law of the land.

IX.

That Count 2 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks the entire religious philosophy of said defendants, or the establishment thereof, or the free exercise thereof, and does not endeavor, nor in any place state, that any part or portion of said religious philosophy of itself violates any law of the United States, but merely seeks

to establish that the defendants do not believe that which they purport to believe.

X.

That Count 2 of said indictment does not state an offense in that on the face of said indictment, and each and every count thereof, it appears that the facts upon which the conviction will be sought are truly statements of opinion or of religious belief, and which are not subject to disproof under the Constitution of the United States, and of the law of the land.

XI.

That Count 3 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks and includes the entire religious beliefs of the defendants, and each of them, and seeks to attack the establishment of said religion [43] or religious beliefs, or to prohibit or restrict the free exercise thereof, contrary to the Constitution of the United States, and the law of the land.

XII.

That Count 3 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks the entire religious philosophy of said defendants, or the establishment thereof, or the free exercise thereof, and does not endeavor nor in any place state, that any part or portion of said religious philosophy of itself violates any law of the United States, but merely seeks to establish that

the defendants do not believe that which they purport to believe.

XIII.

That Count 3 of said indictment does not state an offense in that on the face of said indictment, and each and every count thereof, it appears that the facts upon which the conviction will be sought are truly statements of opinion or of religious belief, and which are not subject to disproof under the Constitution of the United States, and of the law of the land.

XIV.

That Count 4 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks and includes the entire religious beliefs of the defendants, and each of them, and seeks to attack the establishment of said religion or religious beliefs, or to prohibit or restrict the free exercise thereof, contrary to the Constitution of the United States, and the law of the land.

XV.

That Count 4 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks the entire religious philosophy of said defendants, or the establishment thereof, or the free exercise thereof, and does not endeavor, [44] nor in any place state, that any part or portion of said religious philosophy of itself violates any law of the United States, but merely seeks to establish that the defendants do not believe that which they purport to believe.

XVI.

That Count 4 of said indictment does not state an offense in that on the face of said indictment, and each and every count thereof, it appears that the facts upon which the conviction will be sought are truly statements of opinion or of religious belief, and which are not subject to disproof under the Constitution of the United States, and of the law of the land.

XVII.

That Count 5 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks and includes the entire religious beliefs of the defendants, and each of them, and seeks to attack the establishment of said religion or religious beliefs, or to prohibit or restrict the free exercise thereof, contrary to the Constitution of the United States, and the law of the land.

XVIII.

That Count 5 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks the entire religious philosophy of said defendants, or the establishment thereof, or the free exercise thereof, and does not endeavor, nor in any place state, that any part or portion of said religious philosophy of itself violates any law of the United States, but merely seeks to establish that the defendants do not believe that which they purport to believe.

XIX.

That Count 5 of said indictment does not state an offense in that on the face of said indictment, and each and every count thereof, it appears that the facts upon which the conviction will be [45] sought are truly statements of opinion or of religious belief, and which are not subject to disproof under the Constitution of the United States, and of the law of the land.

XX.

That Count 6 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks and includes the entire religious beliefs of the defendants, and each of them, and seeks to attack the establishment of said religion or religious beliefs, or to prohibit or restrict the free exercise thereof, contrary to the Constitution of the United States, and the law of the land.

XXI.

That Count 6 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks the entire religious philosophy of said defendants, or the establishment thereof, or the free exercise thereof, and does not endeavor, nor in any place state, that any part or portion of said religious philosophy of itself violates any law of the United States, but merely seeks to establish that the defendants do not believe that which they purport to believe.

XXII.

That Count 6 of said indictment does not state an offense in that on the face of said indictment, and each and every count thereof, it appears that the facts upon which the conviction will be sought are truly statements of opinion or of religious belief, and which are not subject to disproof under the Constitution of the United States, and of the law of the land.

XXIII.

That Count 7 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks and includes the entire religious beliefs of the defendants, and each of them, and seeks to attack the establishment of said religion [46] or religious beliefs, or to prohibit or restrict the free exercise thereof, contrary to the Constitution of the United States, and the law of the land.

XXIV.

That Count 7 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks the entire religious philosophy of said defendants, or the establishment thereof, or the free exercise thereof, and does not endeavor, nor in any place state, that any part or portion of said religious philosophy of itself violates any law of the United States, but merely seeks to establish that the defendants do not believe that which they purport to believe.

XXV.

That Count 7 of said indictment does not state an offense in that on the face of said indictment, and each and every count thereof, it appears that the facts upon which the conviction will be sought are truly statements of opinion or of religious belief, and which are not subject to disproof under the Constitution of the United States, and of the law of the land.

XXVI.

That Count 8 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks and includes the entire religious beliefs of the defendants, and each of them, and seeks to attack the establishment of said religion or religious beliefs, or to prohibit or restrict the free exercise thereof, contrary to the Constitution of the United States, and the law of the land.

XXVII.

That Count 8 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks the entire religious philosophy of said defendant, or the establishment thereof, or the free exercise thereof, and does not endeavor, [47] nor in any place state, that any part or portion of said religious philosophy of itself violates any law of the United States, but merely seeks to establish that the defendants do not believe that which they purport to believe.

XXVIII.

That Count 8 of said indictment does not state an offense in that on the face of said indictment, and each and every count thereof, it appears that the facts upon which the conviction will be sought are truly statements of opinion or of religious belief, and which are not subject to disproof under the Constitution of the United States, and of the law of the land.

XXIX.

That Count 9 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks and includes the entire religious beliefs of the defendants, and each of them, and seeks to attack the establishment of said religion or religious beliefs, or to prohibit or restrict the free exercise thereof, contrary to the Constitution of the United States, and the law of the land.

XXX.

That Count 9 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks the entire religious philosophy of said defendants, or the establishment thereof, or the free exercise thereof, and does not endeavor, nor in any place state, that any part or portion of said religious philosophy of itself violates any law of the United States, but merely seeks to establish that the defendants do not believe that which they purport to believe.

XXXI.

That Count 9 of said indictment does not state an offense in that on the face of said indictment, and each and every count thereof, it appears that the facts upon which the conviction will be [48] sought are truly statements of opinion or of religious belief, and which are not subject to disproof under the Constitution of the United States, and of the law of the land.

XXXII.

That Count 10 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks and includes the entire religious beliefs of the defendants, and each of them, and seeks to attack the establishment of said religion or religious beliefs, or to prohibit or restrict the free exercise thereof, contrary to the Constitution of the United States, and the law of the land.

XXXIII.

That Count 10 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks the entire religious philosophy of said defendants, or the establishment thereof, or the free exercise thereof, and does not endeavor, nor in any place state, that any part or portion of said religious philosophy of itself violates any law of the United States, but merely seeks to establish that the defendants do not believe that which they purport to believe.

XXXIV.

That Count 10 of said indictment does not state an offense in that on the face of said indictment, and each and every count thereof, it appears that the facts upon which the conviction will be sought are truly statements of opinion or of religious belief, and which are not subject to disproof under the Constitution of the United States, and of the law of the land.

XXXV.

That Count 11 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks and includes the entire religious beliefs of the defendants, and each of them, and seeks to attack the establishment of said religion [49] or religious beliefs, or to prohibit or restrict the free exercise thereof, contrary to the Constitution of the United States, and the law of the land.

XXXVI.

That Count 11 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks the entire religious philosophy of said defendants, or the establishment thereof, or the free exercise thereof, and does not endeavor, nor in any place state, that any part or portion of said religious philosophy of itself violates any law of the United States, but merely seeks to establish that the defendants do not believe that which they purport to believe.

XXXVII.

That Count 11 of said indictment does not state an offense in that on the face of said indictment, and each and every count thereof, it appears that the facts upon which the conviction will be sought are truly statements of opinion or of religious belief, and which are not subject to disproof under the Constitution of the United States, and of the law of the land.

XXXVIII.

That Count 12 of said indictment does not state an offense in that said indictment, and each and every count thereof, attacks and includes the entire religious beliefs of the defendants, and each of them, and seeks to attack the establishment of said religion or religious beliefs, or to prohibit or restrict the free exercise thereof, contrary to the Constitution of the United States, and the law of the land.

XXXIX.

That Count 12 said indictment does not state an offense in that said indictment, and each and every count thereof, attacks the entire religious philosophy of said defendants, or the establishment thereof, or the free exercise thereof, and does not endeavor, [50] nor in any place state, that any part or portion of said religious philosophy of itself violates any law of the United States, but merely seeks to establish that the defendants do not believe that which they purport to believe.

XL.

That Count 12 of said indictment does not state an offense in that on the face of said indictment, and each and every count thereof, it appears that the facts upon which the conviction will be sought are truly statements of opinion or of religious belief, and which are not subject to disproof under the Constitution of the United States, and of the law of the land.

Wherefore, these defendants pray that their demurrer be sustained; and for such other and further relief to which they may be entitled.

JAS. R. ARMSTRONG
AMES PETERSON
W. I. GILBERT, JR.
By W. I. GILBERT, JR.
Attorney for Defendants.

[Endorsed]: Filed Aug. 25, 1941. [51]

[Title of District Court and Cause.]

MOTION TO QUASH

Come now the defendants, Edna W. Ballard, Donald Ballard, Betty Mundy, Paul Stickell, Louise Majerus and William J. Cassiere, and move the court to set aside and quash the indictment herein, and each count thereof, returned against them in the above entitled case, on the following grounds and specifications:

I.

That said indictment, and each count thereof, sets forth matters which are redundant, irrelevant and immaterial, to the charge of using the mails to defraud and which create undue and irrevocable prejudice against said defendants. Said indictment and each count thereof sets forth matters of inference, opinion, conjecture, and abounds in uncertain statements, and is highly colored with prejudicial argumentative matter. That said indictment and each count thereof sets forth matters which are not subject to proof by reason of the fact that there is no standard by which there can be proved whether said matters are false or untrue in relation to religious and philosophical matters. That said allegations only tend to create prejudice and confuse the issues, and will permit or cause the jury to speculate as to the truth or falsity of such religious or philosophical matters to the prejudice of these defendants, and will interfere with the proper administration of justice. Said indictment and each count thereof sets forth matters which will affect the substantial rights of these defendants in their beliefs, [52] which are guaranteed by the Constitution and the laws of the United States of America. That said matters will serve to confuse the issues, prejudice the rights of the defendants, which the trial court will be unable to dispel or cure by instruction.

II.

That said indictment, and each count thereof, contains allegations which on their face reveal that the government cannot, and will not, attempt to offer proof thereof to sustain said allegations which refer to the religious beliefs of said defendants, and which allegations in any event cannot legally be proved, for the reason that said religious beliefs and philosophical matters are protected against attack by the Constitution of the United States. That said indictment and each count thereof contains matters not subject to proof. That said matters which are protected by the Constitution of the United States will permit the jury to conjecture and speculate or pass upon the validity of the defendants' religious beliefs and faith, and thereby prevent said defendants from having that fair and impartial trial the law guarantees, and which said prejudice thereby developed cannot be dispelled by instruction of the court.

III.

That Count I, paragraph (i), subparagraph (1) of said indictment, and each and every count in said indictment, charges and alleges that there was falsely and fraudulently represented that the defendant Guy W. Ballard had attained a supernatural state of immortality which would enable him to conquer disease, death, old age, porverty and misery, and further charges that the defendants knew the said Guy W. Ballard had not attained a

state of self-immortality which would enable him to conquer disease, death, old age, poverty and misery, but was subject to disease and death common to mortal man, and did in fact die on December 29, 1939, in the City of Los Angeles, California, following an operation performed [53] upon him. That said allegations concerning the so-called death of Guy W. Ballard are irrelevant and immaterial in the charge of using the mails to defraud, nor would proof of said allegation disprove, or tend to disprove, the belief of said defendants concerning said matters, or disprove, or tend to disprove, their good faith in their belief in the alleged representations concerning the Ascension of said Guy W. Ballard, no other representation having been made. Said allegation is prejudicial to these defendants in that it will confuse the issue before the jury with respect to the matter of good faith of the defendants concerning their beliefs, and the issue presented is not whether the said Guy W. Ballard did or did not in fact possess said qualities, and that said allegations in the indictment, even if proved, do not show, or tend to show mail fraud, nor the good faith, or lack of good faith, of the defendants in their belief that the said Guy W. Ballard achieved the Ascension, or possessed such qualities.

IV.

That Count I, paragraph (i), subdivision (2) of said indictment, and each and every count in said indictment, charges and alleges that these defend-

ants falsely represented that Guy W. Ballard had been selected and designated by the Ascended Master, Saint Germain as a divine messenger; that the words of the Ascended Masters and the words of the divine entity, Saint Germain, would be transmitted to mankind through the medium of said Guy W. Ballard, and that the defendants knew that the said Guy W. Ballard was not a divine messenger, and that the said defendants knew that the said Guy W. Ballard had no divine or supernatural power. Said allegation upon its face reveals that the government cannot, and will not, endeavor to prove the said alleged representations were false or fraudulent because there is no standard or measure of truth or falsity of said beliefs set [54] forth in the law. Said issue is not whether the said Guy W. Ballard was or was not in fact a divine messenger, but to the contrary only whether these defendants in good faith believed he was a divine messenger, and that said issue is a matter of belief and opinion concerning spiritual or ethereal and religious matters which said beliefs and faiths are protected by the Constitution of the United States, and are not subject of proof or attack, but are in fact, protected against such, by the Constitutional laws of the land, and that said matters will cause and permit the jury to indulge in conjecture and speculation as to the truth or falsity of said qualifications in fact being possessed by the said Guy W. Ballard, rather than whether or not these defendants ever stated, or in good faith believed the

said Guy W. Ballard possessed said qualifications, and that said confusion and prejudice cannot be eliminated by instruction of the court.

V.

That Count I, paragraph (i), subdivision (3) of said indictment, and each and every count in said indictment, charges that the defendants represented that Guy W. Ballard, Edna W. Ballard and Donald Ballard, by reason of their high spiritual attainments and righteous conduct had been selected as divine messengers through which the words of Ascended Masters, including Saint Germain, would be communicated to mankind under teachings commonly known as the "I Am" movement, and that in fact defendants knew that "none, neither nor any of the three" persons had in fact achieved high spiritual attainment. It is further alleged that "none, neither nor any of the three designated persons had in fact lived a life either prior to the date set forth" in the indictment, or continuously up to or including the filing of the indictment, which said life adhered to or consisted of righteous conduct. Said charges and allegations are matters which are not subject to proof involving spiritual and religious beliefs and confuse prejudicially the issues herein, because it will permit the jury to speculate upon the truth or falsity as to whether or not the three named persons in fact were divine [55] messengers, or whether or not said defendants or any of them adhered to righteous conduct.

That said allegations will permit the jury to indulge in, conjecture or speculate concerning the standard of conduct of the defendants, as well as the said Guy W. Ballard, in their private life as to whether said conduct was or was not righteous conduct, which said matters will confuse and mislead the jury, and cannot be eliminated by an instruction of the court.

VI.

That Count I, paragraph (i), subdivision (4) of said indictment, and each and every count thereof, alleges that the defendants represented that Guy W. Ballard, Edna W. Ballard, alias Saint Germain, Jesus, Joan of Arc, Lotus Ray King and Chanera, and Donald Ballard, also known as Lafayette and Edona Eros Ballard, had by supernatural visitation been accorded supernatural state of self-immortality of body, and had been appointed messengers of divine entities and Ascended Masters, and that only through the medium of one, either or all of said designated persons that the teachings and principles of the alleged ascended masters and divine entities would be transmitted to mankind, whereas in truth and in fact defendants well knew that said representations pertaining to the said alleged self-immortality of Guy W. Ballard, Edna W. Ballard and Donald Ballard were false and fraudulent, and that the defendants knew that said representations as to the ability of one or either of said persons to transmit the messages of divine entities or ascended masters to mankind were false and fraudulent, and

that all of said designated persons were mortal persons without any supernatural powers. Said allegations in the indictment are not subject to proof and will permit the jury to speculate and conjecture and to compare their individual religious beliefs and organizations with which they are affiliated, or to which they belong, with those of the defendants. That the allegations contained therein as to whether or not said designated persons did or did not receive messages from divine entities is not subject to proof. Said allegations serve only to confuse and [56] mislead, in that it will permit conjecture and speculation as to whether or not in fact said messages or qualities existed, whereas the only issue that could be determined is whether or not defendants in good faith believed said conditions or qualities existed. That said allegations involve religious and spiritual beliefs of the defendants, and which said religious or spiritual beliefs are protected by the Constitution and laws of the United States.

VII.

That Count I, paragraph (i), subdivision (5) of said indictment, and each and every count thereof, charges that the defendants represented that the teachings, precepts, doctrines and principles published and promulgated by the defendants were the only channels through which the alleged spiritual teachings and words of Saint Germain, or other ascended masters, would be given to the world; and that the defendants represented that said words and

teachings promulgated under the movement known as the "I Am" movement were absolutely essential to the salvation of mankind; that the defendants knew that said representations were false and fraudulent, and had no foundation for representing to persons intended to be defrauded that said teachings, doctrines and precepts were absolutely essential to the salvation of mankind. That said charges involve only religious beliefs and spiritual concepts of the defendants herein, and tend only to confuse and mislead the jury, for it will permit the jury to speculate and indulge in conjecture as to whether or not in fact said teachings were given through the "I Am" movement, or were essential to mankind, whereas the issue is not whether said conditions in fact existed, but only whether or not the defendants in good faith believed them to exist, which said religious faith and belief is protected and guaranteed by the Constitution of the United States.

VIII.

That Count I, paragraph (i), subdivision (6) of said indictment, and each and every count thereof, charges that the [57] defendants represented that Guy W. Ballard in his life time, and Edna W. Ballard and Donald Ballard had attained a supernatural state of self-immortality, which enabled each of them to be entirely free from ailments common to man, and to conquer disease, death, old age, poverty and misery, and which said power and conditions defendants represented they could and would

transmit to others willing to pay therefor, or willing to part with other things of value, and which was done for the false and fraudulent purpose of securing money or other things of value from the persons intended to be defrauded, whereas, in truth and in fact the defendants knew that none, neither nor all of the designated persons had any such powers or qualities, and such conditions did not exist, and that said representations were false and fraudulent. That said allegations are redundant and tend only to mislead and confuse the issues and permit the jury to indulge in conjecture and speculation as to whether or not said qualities or conditions in fact existed, when in truth, no such claim was ever made, and whereas the only issue that could be raised thereon, if such claim had been made, is whether or not defendants in good faith believed said conditions or qualities to exist. That in the trial of the prior indictment the government did not produce any testimony, either directly or by inference, which showed or stated that these defendants, or any of them, represented that they had acquired or could transmit any of such qualities or conditions to others willing to pay therefor, or willing to part with other things of value, or otherwise, but to the contrary the evidence revealed that there was no charge or initiation fee or membership fee, nor any requirement to purchase any of the books or any materials as a condition either directly or indirectly in order to become a follower of said movement, or to receive the benefits the Instructions

offer. That said matters in the indictment tend further to prejudice, confuse and mislead the jury, and which cannot be eliminated by instruction of the court. [58]

IX.

That Count I, paragraph (i), subdivision (7) of said indictment, and each and every count thereof, charges that the defendants represented Guy W. Ballard, Edna W. Ballard and Donald Ballard, have by reason of supernatural attainments the power to heal persons of ailments and diseases and to make well persons afflicted with any disease, injury or ailments, and did falsely represent to persons intended to be defrauded that the said three designated persons had the ability to cure persons of those diseases normally classified as curable, and also of diseases which are ordinarily classified by the medical profession as being incurable diseases; and further represented that said three designated persons had in fact cured either by the activity of one, either or all of said persons, hundreds of persons afflicted with diseases and ailments; whereas in truth and in fact the defendants, and each of them, knew that none of the three designated persons possessed such powers, or had ever cured any persons suffering from curable or incurable diseases or ailments, and that said representations were made for the purpose of acquiring influence over others intended to be defrauded. Said allegation is confusing and misleading to a jury because, among other

reasons, the proof in the previous trial clearly showed that no such representations were made, but that defendants taught such individuals to call forth their own powers in the nature of prayer or decree, in order to effect a cure of any disease from which they might be suffering, and that said allegations are further misleading and confusing in that they will permit the jury to indulge in speculation, and to speculate as to whether or not in fact such persons were powerless to call forth their own powers to effect a cure of any disease from which they might be suffering, whereas the only issue involved is whether or not said defendants, in good faith, believed such powers or qualities to exist, and which said belief is not subject to legal proof and decision thereon could only be reached by indulging in confusion and speculation by the jury. [59]

X.

That Count I, paragraph (i), subdivision (8) of said indictment, and each and every count thereof, alleges that the defendants by direct representations and by innuendos worded and delivered in such a manner as to cause a belief among persons willing to accept the teachings of the "I Am" movement, that Guy W. Ballard, during his lifetime, and Edna W. Ballard and Donald Ballard, and each of them, had by reason of divine origin acquired a great healing power and did represent to the followers of the movement they might also acquire such healing power and be able to achieve perfect bodies and

heal themselves of all human ailments if said followers would give implicit obedience to the precepts, principles, teachings and doctrines of the "I Am" movement; whereas in truth and in fact defendants, and each of them, well knew that none, neither, nor any of said designated persons had any such power to heal, and did not in fact have the power to transfer to others their alleged power to heal persons of human ailments, or to achieve perfect bodies free from disease common to mankind. Said paragraph of the indictment is redundant and misleading in that it merely charges that defendants taught that the followers of the movement could acquire a healing power if they would obey the principles and teachings of the "I Am" movement, but that the designated persons had no power to transfer to others their ability to heal human beings, and it is not alleged in said indictment that the defendants represented that either Guy W. Ballard, Edna Ballard or Donald Ballard could transfer any such powers, but only that the defendants represented that persons following the movement could acquire such powers. Said paragraph is further confusing and misleading in that it will permit the jury to speculate as to whether or not such powers could or could not in fact be acquired, and permit the jury to apply as a standard their own individual views as to such matters, whether such views of the jurors be that of skeptic, atheist or agnostic. That such beliefs are not the [60] subject of proof, and are a matter of common knowledge, and many thousands

of persons believe in their ability to cure ailments by reason of a mental or divine power, as is evidenced by the many adherents to Christian Science, and others.

XI.

That Count I, paragraph (i), subdivision (9) of said indictment, and each and every count thereof, charges that the defendants represented as a part of the scheme to defraud that Guy W. Ballard, Edna W. Ballard and Donald Ballard had a divine supernatural ability to bring forth from a supernatural state money, riches and other material needs necessary to mankind, which power defendants represented they could transfer to others willing to pay therefor, or willing to part with things of value therefor, whereas in truth and in fact defendants knew that none, neither nor all of them had any such power or ability of precipitation, and all of said representations were false and fraudulent. Said allegations are uncertain and ambiguous and challenge the common beliefs of nearly all religions, and that the evidence in the previous trial did not show that any such representations were made, to wit, said powers could be transferred to others willing to pay or part with things of value therefor; and in truth and in fact there is no initiation fee, membership fee or requirement to part with money or any other thing of value as a condition to becoming a follower or remaining a follower of the "I Am" movement, or for receiving and acquiring every good and perfect quality. Said allegation is

confusing and misleading, and will permit the jury to apply their individual opinion as to whether or not said condition or conditions do or could in fact exist, whereas only the belief of said defendants in anything taught, could be involved, and that all such belief or beliefs of defendants relate to religious and spiritual matters, freedom of which is protected and guaranteed by the Constitution of the United States.

XII.

That Count I, paragraph (i), subdivision (10) of said [61] indictment, and each and every count thereof, alleges that the defendants published, sold and caused to be published and sold over approximately six years certain books wherein and whereby the defendants falsely represented said books were the works of divine visitations and directions by Saint Germain and other supernatural entities appearing in various supernatural visitations to one, either or all of the defendants Guy W. Ballard, Edna W. Ballard and Donald Ballard. That said books contain divine instructions for the salvation of mankind, and defendants represented that Guy W. Ballard, Edna W. Ballard and Donald Ballard actually encountered the experiences related in said book, whereas in truth and in fact none of said persons encountered said experiences. Defendants further represented that Saint Germain and other ascended masters communicated to mankind solely through the medium of one or more of the designated defendants, Guy W. Ballard, Edna W. Bal-

lard or Donald Ballard, and that the defendants did endeavor to and did sell copies of said book as a part of the scheme to defraud persons intended to be defrauded; that the three designated persons, Guy W. Ballard, Edna W. Ballard and Donald Ballard had divine and supernatural ability to bring forth from the supernatural state money, riches and other material needs necessary to mankind, but defendants represented that in order to transmit it to others willing to pay therefor, or willing to part with things of value therefor, whereas in truth and in fact defendants knew that none, neither nor all of them had such supernatural powers or ability of precipitation, and that said representations were false and fraudulent. Said paragraph is ambiguous, confusing and misleading in that it refers to certain individuals representing they had had experiences in certain books and then alleges that the said designated persons did not have the ability to bring forth money, riches or other material needs necessary to mankind. Said paragraph is confusing and misleading in that it refers to said Guy W. Ballard as a defendant, whereas in truth and in fact said Guy W. Ballard is not named in said indictment as [62] a defendant, and said allegations with respect to the experiences contained in said book cannot, and the government will not endeavor to prove the same, for at the last trial it did not appear that either Edna W. Ballard or Donald Ballard claimed or represented they had had the experiences therein, or that the other named

defendants had claimed to have had any such experiences as are revealed in said books, or that Saint Germain or any other ascended master communicated to mankind solely through any of the designated defendants, or any person other than said Guy W. Ballard, or that any defendant represented that they could transmit powers to others willing to pay money or part with other things of value therefor. Said paragraph is further confusing and misleading in that it will permit each individual juror to apply his own individual opinion, based solely upon conjecture or speculation, as to whether or not in fact divine or supernatural experiences or visitations were had or could be had, and said allegations are not subject to proof in that they involve purely the religious or spiritual beliefs of the defendants, the freedom of which is protected and guaranteed by the Constitution of the United States.

XIII.

That Count I, paragraph (i), subdivision (11) of said indictment, and each and every count thereof, charges that the defendants published and sold for a period of approximately six years certain books wherein and whereby the defendants falsely represented that the books were the result of divine visitation and dictation by Saint Germain and other supernatural entities appearing to one, either or all of the defendants Guy W. Ballard, Edna W. Ballard and Donald Ballard; that said defendants represented said books contained the divine instruc-

tions for the salvation of mankind, and that the defendants represented that Guy W. Ballard, Edna W. Ballard and Donald Ballard actually encountered the experiences pertaining to each of their said names as related and set forth in said books, whereas in truth and in fact none of said [63] persons encountered said experiences, and said ascended master communicated to one or more of the designated persons, and that they did sell copies of said books knowing that said representations with respect to the origin and divine inspiration were false and fraudulent, fully knowing said books were not divine or inspired, and whereas they were in fact the writings of one or more of said Guy W. Ballard, Edna W. Ballard or Donald Ballard, together with extracts and the substance of material and incidents from occult and metaphysical writings of others, persuading persons intended to be defrauded that in their aim and desire to acquire salvation and self-immortality, they must purchase from said defendants said books. Said charges are not susceptible of proof, in that testimony at the last hearing did not purport to establish either by direct or inferential testimony that defendants, or any of them, stated anyone must purchase said books to accomplish any purpose or be or remain a member of the "I Am" movement. Said paragraph is confusing and misleading in that it permits each individual juror to indulge in conjecture and speculation as to whether or not in fact such divine visita-

tions could or could not exist, rather than whether or not defendants believed supernatural visitations to have occurred. Said paragraph challenges the common religious beliefs and experiences of mankind concerning the power of a Divine Being to reveal Himself to certain chosen or any persons and to communicate with them. Said paragraph, among others referred to, likewise designates the said Guy W. Ballard as a defendant, when in truth and in fact the said Guy W. Ballard is not named a defendant in said indictment and which will confuse and mislead the jury and permit them by reason of the charge of conspiracy to impute the verity of the thoughts or religious beliefs of the said Guy W. Ballard to the defendants designated in said indictment.

The proof in the prior case revealed Guy W. Ballard is asserted to have had certain experiences as contained in the books mentioned in the indictment, and whether said Guy W. Ballard did or did not have such experiences, or whether or not he had divine [64] visitations is not subject to disproof.

XIV.

That Count I, paragraph (i), subdivision (12) of said indictment, and each and every count thereof, charges "that over a period of seven years last past the defendants published, circulated and sold booklets, circulars, letters, edicts, decrees and musical compositions circulating and selling the same to persons intended to be defrauded by the false represen-

tations, or compositions were divinely inspired and dictated by supernatural entities or ascended masters and were a part of the means by which such persons could attain divine salvation, and said defendants knew that said publications were man written and that said representations were false and fraudulent." That said allegation is also confusing and misleading, and that it will permit the jury to speculate upon the basis of their own individual opinion as to whether or not the matters contained in said booklets, circulars, letters, edicts, or decrees, were or were not inspired divinely, or in any other manner, or dictated by reason of the Supernatural Beings, entities, or otherwise, and said specification is uncertain and ambiguous in that it cannot be ascertained therefrom how or in what manner it is contended that such magazines, booklets, circulars, letters, edicts, decrees or musical compositions were a part of the medium by which persons were intended to be defrauded, and that it is further not susceptible of proving the contention that said magazines, booklets, circulars, letters, edicts, decrees or musical compositions would or would not procure or tend to procure divine salvation. Said specification challenges the common belief of mankind that they may obtain their salvation by the reading of and adhering to the principles set forth in the books of their given religion, as for example the Holy Bible. [65]

XV.

That Count I, paragraph (i), subdivision (13) of said indictment, and each and every count thereof, charges that the defendants, and each of them, represented both orally and by writings that it was solely by reason of their teachings and the embodiment in the "I Am" movement, and because of their divine power and influence that the United States of America was saved from destruction, and that by divine inspiration there had been accorded to them the ability to maintain the sovereignty and general welfare of the United States of America. That by reason thereof they represented to persons intended to be defrauded that it was absolutely necessary that complete obedience be had to their teachings, commands, and decrees for the safety, welfare and sovereignty of the United States and for divine justice to be had in governmental activities. That said defendants knew that said representations were false and untrue and had no foundation in fact, or that the welfare or safety of the United States did not depend upon persons following the teachings or commands of their movement. That the evidence in the prior action showed that defendants in their movement maintained, among others, as one of their principles that adherents to this movement be loyal to their country, and to respect the flag, and the principles of government for which it stands, Further, that it is not susceptible to disproof that the teachings of the defendants herein have assisted in maintaining the sovereignty or general welfare of

this country, and that said specification is ambiguous, misleading, and that it will merely permit the jurors to apply their individual opinion, but based upon skepticism, or otherwise, as to whether or not the teachings of the movement are, or are not, constructive, as related to the debts and obligations of citizens to their government. That said specification further involves purely political matters and opinions concerning political matters of which everyone is entitled to his private beliefs, and is not required to be in accordance with any [66] political party or principle thereof. It is not charged in said specification that defendants, or any of them, were engaged in any subversive or illegal activities in so far as the government is concerned, but merely states in general and ambiguous language that the defendants have asserted an influence in our government no different than the influence that may properly be asserted by any individual or legal political party now in existence.

XVI.

That Count I, paragraph (i), subdivision (14) of said indictment, and each and every count thereof, alleges that "the defendants represented that reproductions of the painting of a picture represented by the defendants as being an actual picture of the ascended master Saint Germain was the result of a visitation by Saint Germain before one Charles Sindelar; it was represented that Saint Germain appeared before the said Charles Sindelar for said painting; and it was represented that the purchase

of said picture was desirable in the aim and hope of others to achieve salvation. That in truth and in fact defendants knew that said picture was copied from an existing picture painted approximately twenty years prior by Theresa de Carranza and that said reproductions were made for the purpose of sale." That said specification is improper herein for the reason there is not the slightest resemblance of the Sindelar picture to the Carranza picture, and further, the said Charles Sindelar was a defendant in the previous trial, and all of the matters alleged in this specification were the subject of proof, and proffered proof, in said prior action, and which resulted in the acquittal of said Charles Sindelar by the jury upon all counts. Further that said specification therein is not susceptible of proof for the reason that the government cannot disprove that the said Charles Sindelar had such visitation, and that said specification does not charge that any promise or reward would be obtained by the purchase of said picture, but only that said purchase was desirable.

[67]

XVII.

That Count I. paragraph (i), subdivision (15) of said indictment, and each and every count thereof, alleges that "the defendants falsely represented that the purchase of certain charts, phonograph records and articles sold by the defendants intended to be defrauded would bestow upon said purchasers great blessings and rewards in their aim to achieve salvation, whereas in truth and in fact said representa-

tions had no foundation, and were well known to be false and fraudulent, and that said articles, charts and records were man-made and had no ability to aid in achieving salvation." Said paragraph is uncertain and misleading in that it charges that the defendants knew that said articles, charts and records were man-made, without charging that the defendants ever made any representations that said articles, phonograph records or charts were other than man-made. That said specifications are unsusceptible of proof in that the government did not produce credible evidence that said charts, records or articles did not assist in achieving salvation, and that said specification challenges the common belief of mankind that certain articles or tokens do assist in achieving salvation, such as is generally believed by those of the Catholic faith, and that the freedom of said opinions and beliefs are guaranteed and protected by the Constitution of the United States.

XVIII.

That Count I, paragraph (i), subdivision (16) of said indictment, and each and every count thereof, alleges that "the defendants, and each of them, falsely represented from time to time there would be an actual visitation in one or more designated cities or places in the United States of ascended masters or divine entities, which said divine entities would appear in physical form before the assembly of followers, and by reason thereof defendants acquired a hypnotic control, power and domination

over the persons intended to be defrauded, to-wit, the followers of the "I Am" movement, causing [68] said followers to reach a high state of emotionalism; that by reason thereof they were willing to travel from far distances at great expense to themselves under the hope and expectation that they would view the physical appearance of an ascended master or other divine entity, and that defendants knew that said representations were false and fraudulent and were made with the aim, purpose and desire of acquiring domination and control over the followers of said movement. That subsequent to such meetings the defendants would state that the divine entity had failed to appear because of a lack of harmony existing among the followers of said movement present at the time for appearance." Said specification is confusing and misleading in that it allows and permits each individual juror to analyze with his individual opinion colored by preconceived ideas and convictions that no Court instruction can change, as to whether or not a divine appearance could or could not occur. Such specification is not susceptible of proof, direct or indirect, as to whether certain divine entities did or did not appear, or the reasons therefor. That said specification, either of itself or in connection with all other paragraphs, simply relates to and attacks a religious belief, and is contrary to the protection afforded such freedom of belief by the Constitution of the United States.

XIX.

That Count I, paragraph (i), subdivision (17) of said indictment, and each and every count thereof, alleges that "the defendants falsely represented that a cataclysm or the end of the world was approaching within the life span of persons now living; that there was no necessity to provide for the future or to save money or other things of value possessed by the persons intended to be defrauded, and that in lieu thereof the followers of said movement should withdraw their funds from banks, life insurance companies and other financial institutions accepted by normal persons and turn said moneys over to the defendants, and that the defendants had no reason to believe that the end of the world or a cataclysm was about to occur; and made such representations as a [69] part of their program to command obedience of their followers." Said specification is based upon false premise, as the record of the former trial shows, and is based on false premises as to the allegation that any defendant ever recounted to anyone that he or she should convert anything into money, and particularly should give such money, or anything else, to defendants, and is uncertain and misleading and merely seeks to assert that the defendants had no reason to believe that a cataclysm would occur. Said specification is ambiguous as what it is claimed the cataclysm meant. That it is, that if subject to proof at all, the opinion of many persons that the present condition of the world as it appears today may well be called cata-

clysmic. Said specification merely permits each individual juror to speculate as to whether or not the defendants did or did not have a reason to believe that the end of the world, or a cataclysm, would or would not occur. Such specification challenges the common belief of many men, and the belief that a cataclysm or the approaching end of the world is an accepted religious belief, the right to which, and the freedom thereof from attack, is protected and guaranteed by the Constitution of the United States.

XX.

That Count I, paragraph (i), subdivision (18) of said indictment, and each and every count thereof, alleges that "defendants falsely represented that any person who criticized or questioned the teachings of the defendants would be denounced or punished by ascended masters, and would create fear, confusion and obedience among the followers of said movement, whereas in truth and in fact defendants, and each of them, knew that the criticism or questioning of the teachings of said movement would not be punished by ascended masters, or denounced by ascended masters." That said specifications challenges almost universal religious belief in that each religion insists and demands that their God and His teachings shall be followed implicitly, and said principle is a common principle of religion, the freedom of which is protected and guaranteed by the Constitution of the United States. [70]

XXI.

That Count I, paragraph (i), subdivision (19) of said indictment, and each and every count thereof, alleges that "the defendants falsely represented to the followers of the movement, and the general public, that if the said persons would follow the principles, doctrines and precepts of the "I Am" movement, and the teachings of the defendants prior to death, said persons would achieve the ability to make their actual physical ascension in their physical, tangible bodies, and would in fact ascend and not die, and that during such ascension said persons would have the ability to and would associate with alleged divine entities and ascended masters and would at their pleasure be able to return from their ascended position to earth and reascend if they so desired; and that defendants represented that persons who accepted the teachings and doctrines taught by the defendants had in fact so ascended in their physical, tangible and earthly bodies, whereas in truth and in fact defendants, and each of them, had no foundation for such representations, and knew that said representations were false and fraudulent." Said specification is confusing and misleading, and would merely permit the jurors to exercise their individual opinion of the Ascension, and confuses the True Teachings with the theory of reincarnation, which theory is accepted as true by many persons, and is and has been a principle of religion since recorded history, and the freedom

to believe in such principles and have such opinions are among those protected and guaranteed by the Constitution. That the government cannot, and it is not susceptible of proof to, show that followers, or non-followers, of the "I Am" movement have not ascended or returned to this earth, but in the trial of the previous action no proof was offered by the government either directly or indirectly that the defendants had ever represented that persons could ascend, return from their ascended position, and reascend if they so desired. [71]

XXII.

That Count I, paragraph (i), subdivision (21) of said indictment, and each and every count thereof, sets forth that "the defendants, with the intention on their part to cheat, wrong and defraud other persons did receive money, property and other things of value under the guise and pretense of the same being salaries, loans, bonuses, love gifts, donations, expensive and luxurious living accommodations and expensive traveling facilities," whereas in truth and in fact the government was in possession of all the books and records of the defendants, and of the corporations in which the defendants were associated, or knew of, during the trial and for a considerable time prior thereto. That the government did not introduce any evidence of salaries, loans, bonuses, and only showed there had been gifts designated as love gifts in small amounts over a large period of time, but there was no financial con-

nection between the defendants and any of the group activities throughout the United States, but that defendant Edna W. Ballard is a class leader and messenger, but that all Group Activities in the United States and other countries are conducted independently of any financial support from the Messengers, by their own group leaders. That there are no financial reports of any kind at any time made to any of the defendants from any of the various groups or Student meetings throughout the United States or elsewhere, nor is there any initiation fee or charter fee or membership fee, or any other charge of any nature whatsoever, as a condition to the commencement or continuation of a class or Group Activity, or of becoming associated with, or of continuing to follow such movement.

XXIII.

That each and every specification or allegation of said indictment, either singly or collectively, states no offense, but to the contrary it appears therefrom that the indictment endeavors to present an attack on a complete and entire theory or religious [72] system, and merely asserts that concepts which are commonly and universally accepted among religious people are not believed by these defendants. Said indictment does not present any facts or any situation in which a separate or commonly accepted crime is endeavored to be justified by using religion as a cloak, but to the contrary the indictment merely asserts that the defendants do not believe commonly

and universally accepted religious principles, which said principles and opinions and the right to believe therein is protected and guaranteed from attack by the Constitution of the United States.

XXIV.

Said defendants further move to quash said indictment because said indictment and the allegations it contains, viewed under the true facts and circumstances existing and developed at the trial do not constitute a violation of any law of the United States. Because said indictment improperly, unfairly, scandalously and unjustly attempts to charge a violation of the United States statutes prohibiting the use of the United States mails for fraudulent purposes, under the rule announced by the Circuit Court of Appeals of the Ninth Circuit in New v. United States, 245 Fed. 710, when in truth and in fact there is no element of mail fraud contained in the facts adduced at the trial of and existing in this matter, and not the slightest similarity of facts herein to those of the New case. Because said indictment attempts, but wholly fails under the facts, to come within the discussion of the Judge who wrote the opinion in the case of New v. United States, supra, wherein the Court laid down the rule that a religious or spiritual activity could not be used as a cloak to justify the use of the mails to defraud others. The rule in that case is not disputed by these defendants and is supported and upheld by the good people of the country as a correct interpretation of the law under proper supporting facts. There is not

an element in the present case that comes within the rule of the New case. In the former case there is probably not an intelligent layman in the [73] country but who would agree to the principle stated under the facts of deceit, fraud, immorality and misdoings, proved before the Court. In the case at bar there is no fraud, no deceit, no debauchery, not even requests or urge for money, and only the highest concept of Purity, the Christ, God and the Christian Ideals are taught; whereas, the New case as established and sustained by proof of acts and practices that no upright follower of the Master Jesus would approve. In the case at bar, the defendants were proved to be people of the highest type of culture and refinement, and not a witness testified to the contrary, engaged in offering to the world the most advanced concept of purity and a better life, the Christ and God than has ever before been offered to the people of earth. Their sincerity and upright purpose is above criticism or reproach. The facts clearly establish that they never solicit money or permit others to do so. All support for this Activity comes as a free love gift, whereas in the New case, and all others wherein convictions have been sustained, there was a purpose apparent and clearly established to gain individual profit, under a false cloak of religion. In the present case, these defendants have sought nothing for themselves, but have expended all free will offerings, there being no other kind of support from the public, in an effort to enlighten the people so that they

may intelligently accept or reject the instructions in the exercise of individual free will. [74]

Wherefore, defendants pray that this indictment be quashed and that they not be called upon to plead further.

JAS. R. ARMSTRONG
AMES PETERSON
W. I. GILBERT JR.
By W. I. GILBERT JR.

[Endorsed]: Filed Aug. 25, 1941. [75]

In the District Court of the United States
Southern District of California
Central Division

No. 14858

UNITED STATES OF AMERICA,
Plaintiff,

v.

EDNA W. BALLARD, et al.,
Defendants.

SUPPLEMENT TO MOTION TO QUASH

Come now the defendants, Edna W. Ballard, Donald Ballard, Betty Mundy, Paul Stickell, Louise Majerus and William J. Cassiere, and as a supplement to their Motion to Quash, move the court to set aside and quash the indictment herein, and each count thereof, returned against them in the above

entitled case, on the additional ground and specification, as follows:

I.

That said panel of grand jurors summoned for said term of court is composed exclusively of persons of the male sex, while all persons of the female sex, although consisting and constituting at least one-half of the population and of the registered voters in said Division and District, and possessing the qualifications of jurors prescribed by law, were excluded therefrom on the ground of their sex, and have been so excluded from serving on said grand jury in said District Court for a great many years, which is a discrimination against these defendants, and particularly of the defendants, Edna W. Ballard, Betty Mumdy and Louise Majerus, since they are persons of the female sex; and that such discrimination is a denial to them of the equal protection of the laws and due process of law as guaranteed by the Constitution and laws of the [76] United States, and particularly Article 5 of the Amendments to the Constitution of the United States.

Respectfully submitted,

JAS. R. ARMSTRONG
AMES PETERSON
W. I. GILBERT, JR.
By W. I. GILBERT JR.
Attorneys for Defendants.

[Endorsed]: Filed Aug. 25, 1941. [77]

[Title of District Court and Cause.]

MOTION TO STRIKE

Come now the defendants, Edna W. Ballard, Donald Ballard, Betty Mundy, Paul Stickell, Louise Majerus and William J. Cassiere, and each of them, separately, individually, and for themselves alone, and move the court to strike from said indictment, as follows:

I.

Each and every count of said indictment, and each and every portion thereof, on the ground that said indictment endeavors and purports to attack the entire religious philosophy of said defendants, and does not endeavor or purport to state any particular violation of law which the defendants seek to sustain upon the grounds of religious belief, but to the contrary merely set forth matters of opinion or religious belief which are not subject to disproof under the Constitution of the United States, or the law of the land.

II.

Move to strike from Count I, subparagraph (10), paragraph (i) of said indictment the words "Guy W. Ballard" following the word "defendants", for the reason that the said Guy W. Ballard is not now, nor has been, a defendant named in said indictment. For convenience and ready reference said paragraph is quoted in part as follows: [78]

". . . and other alleged supernatural entities appearing in various supernatural visitations to

one, either, or all of the defendants Guy W. Ballard, Edna W. Ballard, and Donald Ballard; . . ."

(The name sought to be stricken is underlined in said quotation)

This to be stricken for the reason that said reference to Guy W. Ballard as being a defendant in the indictment is prejudicial and misleading, and permits the jury to impute the transactions or activities of the said Guy W. Ballard to the remaining defendants, upon the theory that the said Guy W. Ballard is named as a defendant in the indictment, when in fact he is not.

III.

Move to strike from Count I, subparagraph (11), paragraph (i) of said indictment the words "Guy W. Ballard" following the word "defendants", for the reason that the said Guy W. Ballard is not now, nor has been, a defendant named in said indictment. For convenience and ready reference said paragraph is quoted in part as follows:

". . . and other alleged supernatural entities appearing in various supernatural visitations to one, either, or all of the defendants Guy W. Ballard, Edna W. Ballard, and Donald Ballard; . . ."

(The name sought to be stricken is underlined in said quotation)

That said motion is made for the same reasons as in the last paragraph set forth.

IV.

Move to strike from Count I, subparagraph (14) of paragraph (i) of said indictment in its entirety, for the reason that said paragraph endeavors to charge as a fraud the painting of Ascended Master Saint Germain by Charles Sindelar, and to impute the conduct of the said Charles Sindelar to these defendants as [79] members of the conspiracy, when in truth and in fact the said Charles Sindelar was acquitted of said charge in the previous trial.

JAS. R. ARMSTRONG
AMES PETERSON
W. I. GILBERT, JR.
By W. I. GILBERT, JR.
Attorneys for Defendants

[Endorsed]: Filed Aug. 25, 1941. [80]

[Title of District Court and Cause.]

AMENDED MOTION–TO QUASH

Come now the defendants, Edna W. Ballard, Donald Ballard, Betty Mundy, Paul Stickell, Louise Majerus and William J. Cassiere, and each of them, separately and individually, and for themselves alone, and move the court to set aside and quash the indictment herein, and each count thereof, returned against them in the above entitled case, on the following grounds and specifications:

I.

That said indictment, and each count thereof, sets forth matters which are redundant, irrelevant and immaterial to the charge of using the mails to defraud and which create undue and irreparable prejudice against said defendants. Said indictment, and each count thereof, sets forth matters of inference, opinion, conjecture, and abounds in uncertain statements, and is highly colored with prejudicial argumentative matter. That said indictment, and each count thereof, sets forth matters which are not subject to proof by reason of the fact that there is no standard by which there can be proved whether said matters are false or untrue in relation to religious and philosophical matters. That said allegations only tend to create prejudice and confuse the issues, and will permit or cause the jury to speculate as to the truth or falsity of such religious or philosophical matters to the prejudice of these defendants, and will interfere with the proper [81] administration of justice. Said indictment, and each count thereof, sets forth matters which will affect the substantial rights of these defendants in their beliefs, which are guaranteed by the Constitution and the laws of the United States of America. That said matters will serve to confuse the issues, prejudice the rights of the defendants, which the trial court will be unable to dispel or cure by instruction.

II.

That said indictment, and each count thereof, contains allegations which on their face reveal that the

government cannot, and will not, attempt to offer proof thereof to sustain said allegations which refer to the religious beliefs of said defendants, and which allegations in any event cannot legally be proved, for the reason that said religious beliefs and philosophical matters are protected against attack by the Constitution of the United States. That said indictment, and each count thereof, contains matters not subject to proof. That said matters which are protected by the Constitution of the United States will permit the jury to conjecture and speculate or pass upon the validity of the defendants' religious beliefs and faith, and thereby prevent said defendants from having that fair and impartial trial the law guarantees and which said prejudice thereby developed cannot be dispelled by instruction of the court.

III.

That Count One, paragraph (i), subparagraph (1) of said indictment, and each and every count in said indictment, charges and alleges that there was falsely and fraudulently represented that the defendant Guy W. Ballard had attained a supernatural state of immortality which would enable him to conquer disease, death, old age, poverty and misery; and further charges that the defendants knew the said Guy W. Ballard had not attained a state of self-immortality which would enable him to conquer disease, death, [82] old age, poverty and misery, but was subject to disease and death common to mortal man, and did in fact die on Decem-

ber 29, 1939, in the City of Los Angeles, California, following an operation performed upon him.

Said paragraph is confusing and misleading in that it refers to said Guy W. Ballard as a defendant, whereas in truth and in fact said Guy W. Ballard is not named in said indictment as a defendant, and which will confuse and mislead the jury concerning the beliefs of the defendants concerning said matters. That said allegations concerning the so-called death of Guy W. Ballard are irrelevant and immaterial in the charge of using the mails to defraud, nor would proof of said allegation disprove, or tend to disprove, the belief of said defendants concerning said matters, or tend to disprove, their good faith in their belief in the alleged representations concerning the ascension of said Guy W. Ballard, no other representation having been made. Said allegation is prejudicial to these defendants in that it will confuse the issue before the jury with respect to the matter of good faith of the defendants concerning their beliefs, and the issue presented is not whether the said Guy W. Ballard did or did not in fact possess said qualities, and that said allegations in the indictment, even if proved, do not show, or tend to show, mail fraud nor the good faith, or lack of good faith, of the defendants in their belief that the said Guy W. Ballard achieved the ascension or possessed such qualities.

IV.

That Count One, paragraph (i), subdivision (2) of said indictment, and each and every count in said

indictment, charges and alleges that these defendants falsely represented that Guy W. Ballard had been selected and designated by the Ascended Master, Saint Germain, as a divine messenger; that the words of the Ascended Masters and the words of the divine entity, Saint Germain, would be transmitted to mankind through the medium of said Guy W. [83] Ballard, and that the defendants knew that the said Guy W. Ballard was not a divine messenger, and that the said defendants knew that the said Guy W. Ballard had no divine or supernatural power.

Said allegation upon its face reveals that the government cannot, and will not, endeavor to prove the said alleged representations were false or fraudulent because there is no standard or measure of truth or falsity of said beliefs set forth in the law. Said issue is not whether the said Guy W. Ballard was or was not in fact a divine messenger, but to the contrary only whether these defendants in good faith believed he was a divine messenger, and that said issue is a matter of belief and opinion concerning spiritual or ethereal and religious matters, which said beliefs and faiths are protected by the Constitution of the United States, and are not subject *or* proof or attack but are in fact protected against such by the Constitutional laws of the land, and that said matters will cause and permit the jury to indulge in conjecture and speculation as to the truth or falsity of said qualifications in fact being possessed by the said Guy W. Ballard, rather than

whether or not these defendants ever stated or in good faith believed the said Guy W. Ballard possessed said qualifications, and that said confusion and prejudice cannot be eliminated by instruction of the court.

V.

That Count One, paragraph (i), subdivision (3) of said indictment, and each and every count in said indictment, charges that the defendants represented that Guy W. Ballard, Edna W. Ballard and Donald Ballard, by reason of their high spiritual attainments and righteous conduct had been selected as divine messengers through which the words of Ascended Masters, including Saint Germain, would be communicated to mankind under teachings commonly known as the "I Am" movement, and that in fact defendants knew that "none, neither nor any of the three" persons had in fact [84] achieved high spiritual attainment. It is further alleged that "none, neither nor any of the three designated persons had in fact lived a life either prior to the date set forth" in the indictment, or continuously up to or including the filing of the indictment, which said life adhered to or consisted of righteous conduct.

Said charges and allegations are matters which are not subject to proof involving spiritual and religious beliefs and confuse prejudicially the issues herein, because it will permit the jury to speculate upon the truth or falsity as to whether or not the three named persons in fact were divine messengers, or whether or not said defendants, or any of

them, adhered to righteous conduct. That said allegations will permit the jury to indulge in, conjecture or speculate concerning the standard of conduct of the defendants, as well as the said Guy W. Ballard, in their private life as to whether said conduct was or was not righteous conduct, which said matters will confuse and mislead the jury, and cannot be eliminated by an instruction of the court.

VI.

That Count One, paragraph (1), subdivision (4) of said indictment, and each and every count thereof, alleges that the defendants represented that Guy W. Ballard, Edna W. Ballard, alias Saint Germain, Jesus, Joan of Arc, Lotus Ray King and Chanera, and Donald Ballard, also known as Lafayette and Edona Eros Ballard, had by supernatural visitation been accorded supernatural state of self-immortality of body, and had been appointed messengers of divine entities and Ascended Masters, and that only through the medium of one, either or all of said designated persons that the teachings and principles of the alleged Ascended Masters and divine entities would be transmitted to mankind, whereas in truth and in fact defendants well knew that said representations pertaining to the said alleged self-immortality of Guy W. Ballard, Edna W. Ballard and Donald Ballard were false and fraudulent, and that the [85] defendants knew that said representations as to the ability of one or either of said persons to transmit the messages of divine en-

tities or Ascended Masters to mankind were false and fraudulent, and that all of said designated persons were mortal persons without any supernatural powers.

Said allegations in the indictment are not subject to proof and will permit the jury to speculate and conjecture and to compare their individual religious beliefs and organizations with which they are affiliated, or which they belong, with those of the defendants. That the allegations contained therein as to whether or not said designated persons did or did not receive messages from divine entities is not subject to proof. Said allegations serve only to confuse and mislead, in that it will permit conjecture and speculation as to whether or not in fact said messages or qualities existed, whereas the only issue that could be determined is whether or not defendants in good faith believed said conditions or qualities existed. That said allegations involve religious and spiritual beliefs of the defendants, and which said religious or spiritual beliefs are protected by the Constitution and laws of the United States.

VII.

That Count One, paragraph (i), subdivision (5) of said indictment, and each and every count thereof, charges that the defendants represented that the teachings, precepts, doctrines and principles published and promulgated by the defendants were the only channels through which the alleged spiritual teachings and words of Saint Germain, or other

Ascended Masters, would be given to the world; and that the defendants represented that said words and teachings promulgated under the movement known as the "I Am" movement were absolutely essential to the salvation of mankind; that the defendants knew that said representations were false and fraudulent, and had no foundation for representing to persons [86] intended to be defrauded that said teachings, doctrines and precepts were absolutely essential to the salvation of mankind.

That said charges involve only religious beliefs and spiritual concepts of the defendants herein, and tend only to confuse and mislead the jury, for it will permit the jury to speculate and indulge in conjecture as to whether or not in fact said teachings were given through the "I Am" movement, or were essential to mankind, whereas the issue is not whether said conditions in fact existed, but only whether or not the defendants in good faith believed them to exist, which said religious faith and belief is protected and guaranteed by the Constitution of the United States.

VIII.

That Count One, paragraph (i), subdivision (6) of said indictment, and each and every count thereof, charges that the defendants represented that Guy W. Ballard in his life time, and Edna W. Ballard and Donald Ballard had attained a supernatural state of self-immortality which enabled each of them to be entirely free from ailments common to man, and to conquer disease, death, old age, poverty and

misery, and which said power and conditions defendants represented they could and would transmit to others willing to pay therefor, or willing to part with other things of value, and which was done for the false and fraudulent purpose of securing money or other things of value from the persons intended to be defrauded, whereas in truth and in fact the defendants knew that none, neither nor all of the designated persons had any such powers or qualities, and such conditions did not exist, and that said representations were false and fraudulent.

That said allegations are redundant and tend only to mislead and confuse the issues and permit the jury to indulge in conjecture and speculation as to whether or not said qualities or conditions in fact existed, when in truth no such claim was ever made, and whereas the only issue that could be raised thereon, if [87] such claim had been made, is whether or not defendants in good faith believed said conditions or qualities to exist. That in the trial of the prior indictment the government did not produce any testimony, either directly or by inference, which showed or stated that these defendants, or any of them, represented that they had acquired or could transmit any of such qualities or conditions to others willing to pay therefor, or willing to part with other things of value, or otherwise; but to the contrary the evidence revealed that there was no charge or initiation fee or membership fee, nor any requirement to purchase any of the books or any materials as a condition either directly or in-

directly in order to become a follower of said movement, or to receive the benefits the instructions offer. That said matters in the indictment tend further to prejudice, confuse and mislead the jury, and which cannot be eliminated by instruction of the court.

IX.

That Count One, paragraph (i), subdivision (7) of said indictment, and each and every count thereof, charges that the defendants represented Guy W. Ballard, Edna W. Ballard and Donald Ballard, have by reason of supernatural attainments the power to heal persons of ailments and diseases and to make well persons afflicted with any disease, injury or ailments, and did falsely represent to persons intended to be defrauded that the said three designated persons had the ability to cure persons of those diseases normally classified as curable, and also of diseases which are ordinarily classified by the medical profession as being incurable diseases; and further represented that said three designated persons had in fact cured either by the activity of one, either or all of said persons, hundreds of persons afflicted with diseases and ailments; whereas in truth and in fact the defendants, and each of them, knew that none of the three designated persons possessed such powers, or had ever cured any persons suffering from [88] curable or incurable diseases or ailments, and that said representations were made for the purpose of acquiring influence over others intended to be defrauded.

Said allegation is confusing and misleading to the jury because, among other reasons, the proof in the previous trial clearly showed that no such representations were made, but that defendants taught such individuals to call forth their own powers in the nature of prayer or decree in order to effect a cure of any disease from which they might be suffering; and that said allegations are further misleading and confusing in that they will permit the jury to indulge in speculation, and to speculate as to whether or not in fact such persons were powerless to call forth their own powers to effect a cure of any disease from which they might be suffering, whereas the only issue involved is whether or not said defendants, in good faith, believed such powers or qualities to exist, and which said belief is not subject to legal proof, and decision thereon could only be reached by indulging *on* confusion and speculation by the jury.

X.

That Count One, paragraph (i), subdivision (8) of said indictment, and each and every count thereof, alleges that the defendants by direct representations and by innuendos worded and delivered in such a manner as to cause a belief among persons willing to accept the teachings of the "I Am" movement, that Guy W. Ballard, during his lifetime, and Edna W. Ballard and Donald Ballard, and each of them, had by reason of divine origin acquired a great healing power and did represent to the fol-

lowers of the movement they might also acquire such healing power and be able to achieve perfect bodies and heal themselves of all human ailments if said followers would give implicit obedience to the precepts, principles, teachings and doctrines of the "I Am" movement; whereas in truth and in fact defendants, and each of them, well knew that none, [89] neither, nor any of said designated persons had any such power to heal, and did not in fact have the power to transfer to others their alleged power to heal persons of human ailments, or to achieve perfect bodies free from disease common to mankind.

Said paragraph of the indictment is redundant and misleading in that it merely charges that defendants taught that the followers of the movement could acquire a healing power if they would obey the principles and teachings of the "I Am" movement, but that the designated persons had no power to transfer to others their ability to heal human beings, and it is not alleged in said indictment that the defendants represented that either Guy W. Ballard, Edna Ballard or Donald Ballard could transfer any such powers, but only that the defendants represented that persons following the movement could acquire such powers. Said paragraph is further confusing and misleading in that it will permit the jury to speculate as to whether or not such powers could or could not in fact be acquired, and permit the jury to apply as a standard their own individual views as to such matters, whether such views of

the jurors be that of skeptic, atheist or agnostic. That such beliefs are not the subject of proof, and are a matter of common knowledge, and many thousands of persons believe in their ability to cure ailments by reason of a mental or divine power, as is evidenced by the many adherents to Christian Science, and others.

XI.

That Count One, paragraph (i), subdivision (9) of said indictment, and each and every count thereof, charges that the defendants represented as a part of the scheme to defraud that Guy W. Ballard, Edna W. Ballard and Donald Ballard had a divine supernatural ability to bring forth from a supernatural state money, riches and other material needs necessary to mankind, which power defendants represented they could transfer to others willing to pay therefor, or willing to part with things of value therefor, whereas [90] in truth and in fact defendants knew that none, neither nor all of them had any such power or ability of precipitation, and all of said representations were false and fraudulent.

Said paragraph is ambiguous, confusing and misleading in that it alleges that the said designated persons did not have the ability to bring forth money, riches or other material needs necessary to mankind, and said allegations are uncertain and ambiguous and challenge the common beliefs of nearly all religions, and that the evidence in the previous trial did not show that any such representations were made, to-wit, said powers could be trans-

ferred to others willing to pay or part with things of value therefor; and in truth and in fact there is no initiation fee, membership fee or requirement to part with money or any other thing of value as a condition to becoming a follower or remaining a follower of the "I Am" movement, or for receiving and acquiring every good and perfect quality. Said allegation is confusing and misleading, and will permit the jury to apply their individual opinion as to whether or not said condition or conditions do or could in fact exist, whereas only the belief of said defendants in anything taught could be involved, and that all such belief or beliefs of defendants relate to religious and spiritual matters, freedom of which is protected and guaranteed by the Constitution of the United States.

XII.

That Count One, paragraph (i), subdivision (10) of said indictment, and each and every count thereof, alleges that the defendants published, sold and caused to be published and sold over approximately six years certain books wherein and whereby the defendants falsely represented said books were the works of divine visitations and dictations by Saint Germain and other supernatural entities appearing in various supernatural visitations to one, either or all of the defendants Guy W. Ballard, Edna W. Ballard and [91] *and* Donald Ballard actually encountered the experiences related in said book, whereas in truth and in fact none of said

persons encountered said experiences. Defendants further represented that Saint Germain and other Ascended Masters communicated to mankind solely through the medium of one or more of the designated defendants, Guy W. Ballard, Edna W. Ballard or Donald Ballard, and that the defendants did endeavor to and did sell copies of said books as a part of the scheme to defraud persons intended to be defrauded, and knowing that said representations with respect to the origin and divine inspiration were false and fraudulent, fully knowing said books were not divine or inspired, and whereas they were in fact the writings of one or more of said Guy W. Ballard, Edna W. Ballard or Donald Ballard, together with extracts and the substance of material and incidents from occult and metaphysical writings of others, persuading persons intended to be defrauded that in their aim and desire to acquire salvation and self-immortality they must purchase from said defendants said books.

Said paragraph is confusing and misleading in that it refers to said Guy W. Ballard as a defendant, whereas in truth and in fact said Guy W. Ballard is not named in said indictment as a defendant, and said allegations with respect to the experiences contained in said book cannot, and the government will not endeavor to, prove the same for at the last trial it did not appear that either Edna W. Ballard or Donald Ballard claimed or represented they had had the experiences therein, or that the other named

defendants had claimed to have had any such experiences as are revealed in said books, or that Saint Germain, or any other Ascended Master, communicated to mankind solely through any of the designated defendants, or any person other than said Guy W. Ballard. Said charges are not susceptible of proof, in that testimony at the last hearing did not purport to establish either by direct or inferential testimony that defendants, or any of them, stated anyone [92] must purchase said books to accomplish any purpose or be or remain a member of the "I Am" movement. Said paragraph is confusing and misleading in that it permits each individual juror to indulge in conjecture and speculation as to whether or not in fact such divine visitations could or could not exist, rather than whether or not defendants believed supernatural visitations to have occurred. Said paragraph is further confusing and misleading in that it will permit each individual juror to apply his own individual opinion, based solely upon conjecture or speculation, as to whether or not in fact divine or supernatural experiences or visitations were had, or could be had, and said allegations are not subject to proof in that they involve purely the religious or spiritual beliefs of the defendants, the freedom of which is protected and guaranteed by the Constitution of the United States. Said paragraph challenges the common religious beliefs and experiences of mankind concerning the power of a Divine Being to reveal

himself to certain chosen, or any, persons and to communicate with them.

The proof in the prior case revealed Guy W. Ballard is asserted to have had certain experiences as contained in the books mentioned in the indictment, and whether said Guy W. Ballard did or did not have such experiences, or whether or not he had divine visitations is not subject to disproof. Said portion alleging that the writings of said books were in part extracts and substance of material and incidents of occult and metaphysical writings of others does not alone, or together with the other allegations, state an offense and it was ruled in the previous trial that similarities of religious writings or "plagiarism" could not be proved under the Constitutional guarantees of the Constitution of the United States.

Further, it appeared at the trial of the previous action that the defendants made said books and publications available to the public at large, or those interested to buy or to read the [93] same without charge in the reading rooms in various cities in the United States. That there was no statement or representation that the books or writings or any extracts or material must be purchased in order to acquire salvation, self-immortality or any other benefits.

XIII.

That Count One, paragraph (i), subdivision (11) of said indictment, and each and every count

thereof, charges "that over a period of seven years last past the defendants published, circulated and sold booklets, circulars, letters, edicts, decrees and musical compositions circulating and selling the same to persons intended to be defrauded by the false representations, or compositions were divinely inspired and dictated by supernatural entities or Ascended Masters and were a part of the means by which such persons could attain divine salvation, and said defendants knew that said publications were man written and that said representations were false and fraudulent."

That said allegation is confusing and misleading, and that it will permit the jury to speculate upon the basis of their own individual opinion as to whether or not the matters contained in said booklets, circulars, letters, edicts, or decrees were or were not inspired divinely, or in any other manner, or dictated by reason of the Supernatural Beings, entities, or otherwise; and said specification is uncertain and ambiguous in that it cannot be ascertained therefrom how or in what manner it is contended that such magazines, booklets, circulars, letters, edicts, decrees or musical compositions were a part of the medium by which persons were intended to be defrauded, and that it is further not susceptible of proving the contention that said magazines, booklets, circulars, letters, edicts, decrees or musical compositions would or would not procure or tend to procure divine salvation. Said specifica-

tion challenges the common belief of mankind that they may obtain their salvation by the [94] reading of and adhering to the principles set forth in the books of their given religion, as for example the Holy Bible.

XIV.

That Count One, paragraph (i), subdivision (12) of said indictment, and each and every count thereof, charges that the defendants, and each of them, represented both orally and by writings that it was solely by reason of their teachings and the embodiment in the "I Am" movement, and because of their divine power and influence that the United States of America was saved from destruction, and that by divine inspiration there had been accorded to them the ability to maintain the sovereignty and general welfare of the United States of America. That by reason thereof they represented to persons intended to be defrauded that it was absolutely necessary that complete obedience be had to their teachings, commands, and decrees for the safety, welfare and sovereignty of the United States and for divine justice to be had in governmental activities. That said defendants knew that said representations were false and untrue and had no foundation in fact, or that the welfare or safety of the United States did not depend upon persons following the teachings or commands of their movement.

That the evidence in the prior action showed that defendants in their movement maintained, among others, as one of their principles that adherents to

this movement be loyal to their country, and to respect the flag, and the principles of government for which it stands. Further, that it is not susceptible to disproof that the teachings of the defendants herein have assisted in maintaining the sovereignty or general welfare of this country, and that said specification is ambiguous, misleading, and that it will merely permit the jurors to apply their individual opinion, but based upon skepticism, or otherwise, as to whether or not the teachings of the movement are, or are not, constructive, as related to the debts and obligations of citizens to their government. That said specification [95] further involves purely political matters and opinions concerning political matters of which everyone is entitled to his private beliefs, and is not required to be in accordance with any political party or principle thereof. It is not charged in said specification that defendants, or any of them, were engaged in any subversive or illegal activities in so far as the government is concerned, but merely states in general and ambiguous language that the defendants have asserted an influence in our government no different than the influence that may properly be asserted by any individual or legal political party now in existence.

XV.

That Count One, paragraph (i), subdivision (13) of said indictment, and each and every count thereof, alleges that "the defendants represented that reproductions of the painting of a picture rep-

resented by the defendants as being an actual picture of the Ascended Master Saint Germain was the result of a visitation by Saint Germain before one Charles Sindelar; it was represented that Saint Germain appeared before the said Charles Sindelar for said painting; and it was represented that the purchase of said picture was desirable in the aim and hope of others to achieve salvation. That in truth and in fact defendants knew that said picture was copied from an existing picture painted approximately twenty years prior by Therese de Carranza and that said reproductions were made for the purpose of sale."

That said specification is improper herein for the reason there is no material resemblance of the Sindelar picture to the Carranza picture, and further the said Charles Sindelar was a defendant in the previous trial, and all of the matters alleged in this specification were the subject of proof, and proffered proof, in said prior action, and which resulted in the acquittal of said Charles Sindelar by the jury upon all counts. Further that said specification therein is not susceptible of proof for the reason [96] that the government cannot disprove that the said Charles Sindelar had such visitation, and that said specification does not charge that any promise or reward would be obtained by the purchase of said picture, but only that said purchase was desirable.

XVI.

That Count One, paragraph (i), subdivision (14) of said indictment, and each and every count thereof, alleges that "the defendants falsely represented that the purchase of certain charts, phonograph records and articles sold by the defendants intended to be defrauded would bestow upon said purchasers great blessings and rewards in their aim to achieve salvation, whereas in truth and in fact said representations had no foundation, and were well known to be false and fraudulent, and that said articles, charts and records were man-made and had no ability to aid in achieving salvation."

Said paragraph is uncertain and misleading in that it charges that the defendants knew that said articles, charts and records were man-made, without charging that the defendants ever made any representations that said articles, phonograph records or charts were other than man-made. That said specifications are unsusceptible of proof in that the government did not produce credible evidence that said charts, records or articles did not assist in achieving salvation, and that said specification challenges the common belief of mankind that certain articles or tokens do assist in achieving salvation, such as is generally believed by those of the Catholic faith, and that the freedom of said opinions and beliefs are guaranteed and protected by the Constitution of the United States.

XVII.

That Count One, paragraph (i), subdivision (15) of said indictment, and each and every count thereof, alleges that "the defendants, and each of them, falsely represented from time to time there would be an actual visitation in one or more designated cities [97] or places in the United States of Ascended Masters or Divine Entities, which said Divine Entities would appear in physical form before the assembly of followers, and by reason thereof defendants acquired a hypnotic control, power and domination over the persons intended to be defrauded, to-wit, the followers of the 'I Am' movement, causing said followers to reach a high state of emotionalism; that by reason thereof they were willing to travel from far distances at great expense to themselves under the hope and expectation that they would view the physical appearance of an Ascended Master or other Divine Entity, and that defendants knew that said representations were false and fraudulent and were made with the aim, purpose and desire of acquiring domination and control over the followers of said movement. That subsequent to such meetings the defendants would state that the Divine Entity had failed to appear because of a lack of harmony existing among the followers of said movement present at the time for appearance."

Said specification is confusing and misleading in that it allows and permits each individual juror

to analyze with his individual opinion, colored by preconceived ideas and convictions, that no court instruction can change, as to whether or not a divine appearance could or could not occur. Such specification is not susceptible of proof, direct or indirect, as to whether certain Divine Entities did or did not appear, or the reasons therefor. That said specification, either of itself or in connection with all other paragraphs, simply relates to and attacks a religious belief, and is contrary to the protection afforded such freedom of belief by the Constitution of the United States.

XVIII.

That Count One, paragraph (i), subdivision (16) of said indictment, and each and every count thereof, alleges that "the defendants falsely represented that a cataclysm or the end of the world was approaching within the life span of persons now living; [98] that there was no necessity to provide for the future or to save money or other things of value possessed by the persons intended to be defrauded, and that in lieu thereof the followers of said movement should withdraw their funds from banks, life insurance companies and other financial institutions accepted by normal persons, and turn said moneys over to the defendants, and that the defendants had no reason to believe that the end of the world or a cataclysm was about to occur, and made such representations as a part of their program to command obedience of their followers."

Said specification is based upon false premise as the record of the former trial shows, and is based on false premises as to the allegation that any defendant ever recounted to any one that he or she should convert anything into money, and particularly they should give such money or anything else to defendants, and is uncertain and misleading and merely seeks to assert that the defendants had no reason to believe that a cataclysm would occur. Said specification is ambiguous as to what it is claimed the cataclysm meant. That it is, if subject to proof at all, the opinion of many persons that the present condition of the world as it appears today may well be called cataclysmic. Said specification merely permits each individual juror to speculate as to whether or not the defendants did or did not have a reason to believe that the end of the world, or a cataclysm, would or would not occur. Such specification challenges the common belief of many men, and the belief that a cataclysm or the approaching end of the world is an accepted religious belief, the right to which, and the freedom thereof from attack, is protected and guaranteed by the Constitution of the United States.

XIX.

That Count One, paragraph (i), subdivision (17) of said indictment, and each and every count thereof, alleges that " defendants falsely represented that any person who criticized or ques- [99] tioned the teachings of the defendants would be denounced

or punished by Ascended Masters, and would create fear, confusion and obedience among the followers of said movement, whereas in truth and in fact defendants, and each of them, knew that the criticism or questioning of the teachings of said movement would not be punished by Ascended Masters, or denounced by Ascended Masters."

That said specification challenges almost universal religious belief in that each religion insists and demands that their God and His teachings shall be followed implicitly, and said principle is a common principle of religion, the freedom of which is protected and guaranteed by the Constitution of the United States.

XX.

That Count One, paragraph (i), subdivision (18) of said indictment, and each and every count thereof, alleges that "the defendants falsely represented to the followers of the movement, and the general public, that if the said persons would follow the principles, doctrines and precepts of the "I Am" movement, and the teachings of the defendants prior to death, said persons would achieve the ability to make their actual physical ascension in their physical, tangible bodies, and would in fact ascend and not die, and that during such ascension said persons would have the ability to, and would associate with alleged Divine Entities and Ascended Masters and would at their pleasure be able to return from their ascended position to earth and re-

ascend if they so desired; and that defendants represented that persons who accepted the teachings and doctrines taught by the defendants had in fact so ascended in their physical, tangible and earthly bodies, whereas in truth and in fact defendants, and each of them, had no foundation for such representations, and knew that said representations were false and fraudulent."

Said specification is confusing and misleading, and would [100] merely permit the jurors to exercise their individual opinion of the ascension and confuses the true teachings with the theory of reincarnation, which theory is accepted as true by many persons, and is and has been a principle of religion since recorded history, and the freedom to believe in such principles and have such opinions are among those protected and guaranteed by the Constitution. That the government cannot, and it is not susceptible of proof to, show that followers or non-followers of the "I Am" movement have not ascended or returned to this earth, but in the trial of the previous action no proof was offered by the government either directly or indirectly that the defendants had ever represented that persons could ascend, return from their ascended position, and reascend if they so desired.

XXI.

That Count One, paragraph (i), subdivision (19) of said indictment, and each and every count thereof, is a statement of conclusions as to the effect of

prior allegations, and does not contain any statement of fact, or any representations made or done by any defendant, and does not contain any fact or representations upon which a conviction could be had, but is in effect a summary of the objects and purposes which it is claimed these defendants sought to achieve by reason of other allegations in the indictment.

XXII.

That Count One, paragraph (i), subdivision (20) of said indictment, and each and every count thereof, sets forth that "the defendants, with the intention on their part to cheat, wrong and defraud other persons did receive money, property and other things of value under the guise and pretense of the same being salaries, loans, bonuses, love gifts, donations, expensive and luxurious liv ng accommodations and expensive traveling facilities."

That in truth and in fact the government was in possession of all the books and records of the defendants, and of the corpora- [101] tions in which the defendants were associated, or knew of, during the trial and for a considerable time prior thereto. That the government did not introduce any evidence of salaries, loans, bonuses, and only showed there had been gifts designated as love gifts in small amounts over a large period of time, but that there was no financial connection between the defendants and any of the group activities throughout the United States, but that defendant Edna W. Ballard is a class leader and messenger; but that all group

activities in the United States and other countries are conducted independently of any financial support from the messengers, by their own group leaders. That there are no financial reports of any kind, at any time, made to any of the defendants from any of the various groups or student meetings throughout the United States, or elsewhere, nor is there any initiation fee or charter fee or membership fee, or any other charge of any nature whatsoever, as a condition to the commencement or continuation of a class or group activity or of becoming associated with or of continuing to follow such movement.

XXIII.

That each and every specification or allegation of said indictment, either singly or collectively, states no offense, but to the contrary it appears therefrom that the indictment endeavors to present an attack on a complete and entire theory or religious system, and merely asserts that concepts which are commonly and universally accepted among religious people are not believed by these defendants. Said indictment does not present any facts or any situation in which a separate or commonly accepted crime is endeavored to be justified by using religion as a cloak, but to the contrary the indictment merely asserts that the defendants do not believe commonly and universally accepted religious principles, which said principles and opinions and the right to believe therein is protected and guaranteed from attack by the Constitution of the [102] United States.

XXIV.

Said defendants further move to quash said indictment because said indictment and the allegations it contains, viewed under the true facts and circumstances existing and developed at the trial do not constitute a violation of any law of the United States. Because said indictment improperly, unfairly, scandalously and unjustly attempts to charge a violation of the United States statutes prohibiting the use of the United States mails for fraudulent purposes, under the rule announced by the Circuit Court of Appeals of the Ninth Circuit in New v. United States, 245 Fed. 710, when in truth and in fact there is no element of mail fraud contained in the facts adduced at the trial of and existing in this matter, and not the slightest similarity of facts herein to those of the New case. Because said indictment attempts, but wholly fails under the facts, to come within the discussion of the Judge who wrote the opinion in the case of New v. United States, supra, wherein the Court laid down the rule that a religious or spiritual activity could not be used as a cloak to justify the use of the mails to defraud others. The rule in that case is not disputed by these defendants and is supported and upheld by the good people of the country as a correct interpretation of the law under proper supporting facts. There is not an element in the present case that comes within the rule of the New case. In the former case there is probably not an intelligent layman in the country but who would agree to the

principle stated under the facts of deceit, fraud, immorality and misdoings, proved before the Court. In the case at bar there is no fraud, no deceit, no debauchery, not even requests or urge for money, and only the highest concept of Purity, the Christ, God and the Christian Ideals are taught; whereas, the New case as established and sustained by proof of acts and practices that no upright follower of the Master Jesus would approve. In the [103] case at bar, the defendants were proved to be people of the highest type of culture and refinement, and not a witness testified to the contrary, engaged in offering to the world the most advanced concept of purity and a better life, the Christ and God than has ever before been offered to the people of earth. Their sincerity and upright purpose is above criticism or reproach. The facts clearly establish that they never solicit money or permit others to do so. All support for this activity comes as a free love gift, whereas in the New case, and all others wherein convictions have been sustained, there was a purpose apparent and clearly established to gain individual profit, under the false cloak of religion. In the present case these defendants have sought nothing for themselves, but have expended all free will offerings, there being no other kind of support from the public, in an effort to enlighten the people so that they may intelligently accept or reject the instructions in the exercise of individual free will.

XXV.

That said panel of grand jurors summoned for said term of court is composed exclusively of persons of the male sex, while all persons of the female sex, although consisting and constituting at least one-half of the population and of the registered voters in said Division and District, and possessing the qualifications of jurors prescribed by law, were excluded therefrom on the ground of their sex, and have been so excluded from serving on said grand jury in said District for a great many years, which is a discrimination against these defendants, and particularly of the defendants Edna W. Ballard, Betty Mundy and Louise Mejerus, since they are persons of the female sex; and that such discrimination is a denial to them of the equal protection of the laws and due process of law as guaranteed by the Constitution and laws of the United States, and particularly Article 5 of the Amendments to the Constitution of the United States. [104]

Wherefore, defendants pray that this indictment be quashed and that they not be called upon to plead further.

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AMES PETERSON
W. I. GILBERT, JR.
By W. I. GILBERT, JR.
Attorneys for Defendants

[Endorsed]: Filed Sep. 3, 1941. [105]

[Title of District Court and Cause.]

AMENDED MOTION TO STRIKE

Come now the defendants, Enda W. Ballard, Donald Ballard, Betty Mundy, Paul Stickell, Louise Majerus and William J. Cassiere, and each of them, separately, individually, and for themselves alone, and move the court to strike from said indictment, as follows:

I.

Each and every count of said indictment, and each and every portion thereof, on the ground that said indictment endeavors and purports to attack the entire religious philosophy of said defendants, and does not endeavor or purport to state any particular violation of law which the defendants seek to sustain upon the grounds of religious belief, but to the contrary merely set forth matters of opinion or religious belief which are not subject to disproof under the Constitution of the United States, or the law of the land.

II.

Move to strike from Count One, subparagraph (1), paragraph (i) of said indictment the word "defendant" preceding the words "Guy W. Ballard", for the reason that the said Guy W. Ballard is not now, nor has been, a defendant named in said indictment. For convenience and ready reference said paragraph is quoted in part as follows:

[106]

"* * * That the defendant Guy W. Ballard had attained a supernatural state of self-immortality, which condition enabled him to conquer disease, death, old age, poverty, and misery; * * *"

(The word sought to be stricken is underlined in said quotation.)

This should be stricken for the reason that said reference to Guy W. Ballard as being a defendant in the indictment is prejudicial and misleading, and permits the jury to impute the transactions or activities of the said Guy W. Ballard to the remaining defendants, upon the theory that the said Guy W. Ballard is named as a defendant in the indictment, when in fact he is not.

III.

Move to strike from Count One, subparagraph 10, paragraph (i) of said indictment the words "Guy W. Ballard" following the word "defendants", for the reason that the said Guy W. Ballard is not now, nor has been, a defendant named in said indictment. For convenience and ready reference said paragraph is quoted in part as follows:

"* * * and other alleged supernatural entities appearing in various supernatural visitations to one, either, or all of the defendants Guy W. Ballard, Edna W. Ballard, and Donald Ballard; * * *"

(The name sought to be stricken is underlined in said quotation.)

That said motion is made for the same reasons as in the last paragraph set forth.

IV.

Move to strike from Count One, subparagraph 13 of paragraph (i) of said indictment in its entirety, for the reason that said paragraph endeavors to charge as a fraud the painting of Ascended Master Saint Germain by Charles Sindelar, and to impute the conduct of the said Charles Sindelar to these defendants as members of the conspiracy, when in truth and in fact the said Charles Sindelar was acquitted of said charge in the previous trial.

JAS. R. ARMSTRONG
AMES PETERSON
W. I. GILBERT, JR.
By W. I. GILBERT, JR.
Attorneys for Defendants

[Endorsed]: Filed Sep. 3, 1941. [107]

United States District Court, Southern District of California, Central Division

No. 14858

UNITED STATES OF AMERICA,

Plaintiff,

vs.

EDNA W. BALLARD, DONALD BALLARD, BETTY O. MUNDY, PAUL STICKELL, LOUISE MAJERUS, and WILLIAM J. CASSIERE,

Defendants.

DECISION OF JUDGE J. F. T. O'CONNOR

An indictment was returned against the above named defendants by the grand jury. The defendants moved to quash the indictment and also moved to strike certain parts of the indictment on the grounds alleged in the written motion.

The Court having fully considered the matter and having carefully considered both the written and oral arguments on the part of the United States of America and on the part of the defendants above named.

It is hereby ordered:

That the motion to quash and the amended motion to quash are denied and the motion to strike and the amended motion to strike are denied.

The defendants will enter their plea before this court in Courtroom No. 7 at 11:00 o'clock A. M. on Monday, October 13, 1941.

Dated this 9th day of October, 1941.

J. F. T. O'CONNOR
United States District Judge

[Endorsed]: Filed Oct. 9, 1941. [108]

At a stated term, to wit: The September Term, A. D. 1941 of the District Court of the United States of America, within and for the Central Division of the Southern District of California, held at the Court Room thereof, in the City of Los Angeles on Monday the 13th day of October in the year of our Lord one thousand nine hundred and forty-one.

Present:

The Honorable: J. F. T. O'Connor, District Judge.

[Title of Cause.]

This cause coming on for arraignment and plea of defendants Edna W. Ballard, Donald Ballard, Betty O. Mundy, Paul Stickell, Louise Majerus, and William J. Cassiere; Ralph E. Lazarus and Norman W. Neukom, Assistant U. S. Attorneys, appearing as counsel for the Government; Ames Peterson, David H. Cannon, and James M. Armstrong, Esqs., appearing as counsel for the defendants, all of whom are present except Louise Majerus; and A. Wahlberg, Court Reporter, being present and reporting the testimony and the proceedings:

Each of the said defendants, except defendant Louise Majerus, who is absent, states his (or her) true name is as set forth in the indictment, Attorney Cannon waives reading thereof, and each of the said defendants pleads not guilty to the twelve counts. Attorney Peterson makes a statement.

Attorney Lazarus makes a statement resetting the case for trial. Attorney Armstrong makes a statement and requests that trial be set in the new year. Attorney Cannon requests a continuance beyond the first of the year for commencement of trial. Attorney Neukom says that it will take close to six weeks to try this cause and wants an early trial without unnecessary delay.

The Court makes a statement relative to setting this case for trial.

It is ordered that the cause be, and it hereby is, set for trial for 10 A. M., December 2, 1941. Arr. and plea of Louise Majerus set for 12/1/41. [109]

At a stated term, to wit: The September Term, A. D. 1941 of the District Court of the United States of America, within and for the Central Division of the Southern District of California, held at the Court Room thereof, in the City of Los Angeles on Tuesday the 2nd day of December in the year of our Lord one thousand nine hundred and forty-one.

Present:

The Honorable: J. F. T. O'Connor, District Judge.

[Title of Cause.]

This cause coming on for trial before a jury of defendants Edna W. Ballard, Donald Ballard, Betty O. Mundy, Paul Stickell, Louise Majerus, and William J. Cassiere; Ralph E. Lazarus and Norman W. Neukom, Assistant U. S. Attorneys, appearing as counsel for the Government; David H. Cannon, Ames Peterson, W. I. Gilbert, Jr., James R. Armstrong, Esqs., appearing as counsel for the said defendants, who are present; and A. Wahlberg, Court Reporter, being present and reporting the testimony and the proceedings:

Attorney Cannon challenges the entire panel of petit jurors on the ground that there has been discrimination in the selection of the petit jury panel, particularly as no women have been called into the panel, upon the same grounds set out in the challenge of the entire panel of Grand Jurors; objection is overruled and exception allowed to each defendant; and by consent of the Government, petit juror Ed. J. Goodier is excused for today.

On motion of Attorney Cannon, Horace J. Donnelly, Jr., Esq., from Washington, D. C., is associated as counsel for the defendants in this case only.

It appearing to the Court that it is satisfactory to counsel for both sides to proceed at this time

with the impanelment of the petit jury to try this cause from the panel of Judge Jenney's petit jurors and from the panel of Judge O'Connor's petit jurors, (these two panels now being in the court room); and, in the event these two [110] jury panels should become exhausted without a jury having been selected, that the panel of Judge Yankwich's petit jurors may then be drawn upon, from which the remaining petit jurors to try this cause may be selected, it is by the Court ordered that counsel commence with the impanelment of the petit jury to try this cause at this time.

At 11:05 A. M. it is ordered that a jury be drawn and the clerk draws the names of the following twelve jurors: Neil C. Needham, Paul Pauly, Walter G. Potter, W. K. Batchelor, T. O. Boyd, Jr., Jesse H. Faler, Donald K. Carter, Dean Hoover, Thomas O. Boyle, Joseph Ross, Fred B. King, and Samuel C. Harvey.

At 11:12 A. M. the jurors in the box are examined for cause by the Court.

The Court admonishes the prospective jurors that during the progress of this trial and the recesses therein they are not to speak to anyone or permit anyone to speak to them about this cause, or any matter or thing therewith connected; that until said cause is finally submitted to them for their deliberation under the instructions of the Court, they are not to speak to each other about this cause or any matter or thing therewith connected, or form or express any opinion concerning the merits of

the trial until it is finally submitted to them, and at 12:10 P. M. declares a recess to 2 P. M. today.

At 2 P. M. court reconvenes and all being present as before, including all the defendants and all counsel on both sides, and counsel so stipulating, and all the jurors being present in the box as at the morning session of court, the Court examines the prospective petit jurors for cause. At 2:37 P. M. the jurors are examined for cause by Attorney Neukom, and at 2:47 P. M. they are examined for cause by Attorney Cannon.

Dean Hoover is excused by defendants for cause and it is ordered that another name be drawn; whereupon, the clerk draws the name of A. B. Dickstein, who is examined for cause by the Court, and is excused for cause by the Court, both sides consenting. It is ordered that another name be drawn, whereupon, the clerk draws the name of Horace Ramsden, who is examined for cause by the Court and by Attorney [111] Cannon.

Jesse H. Faler is excused for cause by the Court by consent of both sides and it is ordered that another name be drawn, whereupon, the clerk draws the name of Earle V. Grover, who is examined for cause by the Court, and by Attorneys Lazarus and Cannon, respectively.

Samuel C. Harvey is excused on plaintiff's peremptory challenge and it is ordered that another name be drawn, whereupon, the clerk draws the name of Earl Kingsbury, who is examined for cause by the Court and by Attorneys Lazarus and Cannon, respectively.

Joseph Ross is excused on defendant's peremptory challenge, and it is ordered that another name be drawn, whereupon, the clerk draws the name of Ellis H. Wilson, who is examined for cause by the Court and by Attorneys Lazarus and Cannon, respectively.

At 3:37 P. M. the Court reminds the jury of the admonition heretofore given and declares a recess for 15 minutes. At 3:55 P. M. court reconvenes and all being present as before, including the prospective jurors, the Court orders that the trial proceed.

Fred B. King is excused on defendant's peremptory challenge and it is ordered that another name be drawn, whereupon, the clerk draws the name of Robert J. Riley, who is examined for cause by the Court and by Attorneys Neukom and Peterson, respectively.

Walter G. Potter is excused on plaintiff's peremptory challenge and it is ordered that another name be drawn, whereupon, the clerk draws the name of C. P. Ritchie, who is examined for cause by the Court and by Attorneys Lazarus and Cannon, respectively.

C. P. Ritchie is excused for cause by the Court and it is ordered that another name be drawn, whereupon, the clerk draws the name of Rev. Bernard C. Voll, who is examined for cause by the Court, and is excused for cause by the Court.

It is ordered that another name be drawn, whereupon, the clerk draws the name of James J. Doherty, who is examined for cause by the Court, and by Attorneys Neukom and Cannon, respectively.

James J. Doherty is excused on defendant's peremptory challenge, and it is ordered that another name be drawn, whereupon, the clerk draws the name of E. H. Porter, who is examined for cause by the Court. [112]

At 4:30 P. M. the jurors in the box for the trial of this cause being as follows, viz:

The Jury

1. Neil C. Needham
2. Paul Pauly
3. E. H. Porter
4. W. K. Batchelor
5. T. O. Boyd, Jr.
6. Earle V. Grover
7. Donald K. Carter
8. Horace Ramsden
9. Thomas O. Boyle
10. Ellis H. Wilson
11. Robert J. Riley
12. Earl Kingsbury

The Court reminds the jurors of the admonition heretofore given and declares a recess in the trial of this cause until 10. A. M., December 3, 1941.

[113]

At a stated term, to wit: The September Term, A. D. 1941 of the District Court of the United States of America, within and for the Central Division of the Southern District of California, held at the Court Room thereof, in the City of Los Angeles on Wednesday the 3rd day of December in the year of our Lord one thousand nine hundred and forty-one.

Present: The Honorable J. F. T. O'Connor,
District Judge.

[Title of Cause.]

This cause coming before the Court at 10:05 A. M., for further trial, before a jury to be impaneled, of defendants Edna W. Ballard, Donald Ballard, Betty O. Mundy, Paul Stickell, Louise Majerus, and William J. Cassiere; Ralph E. Lazarus and Norman W. Neukom, Assistant U. S. Attorneys, appearing as counsel for the Government; the said defendants being present in court with their attorneys David H. Cannon, Esq., Ames Peterson, Esq., W. I. Gilbert, Jr., Esq., James R. Armstrong, Esq., and Horace J. Donnelly, Jr., Esq., and A. Wahlberg being present in court as stenographic reporter of the testimony and the proceedings; and the names of the prospective jurors now in the jury box being as follows, to wit: Neil C. Needham, Paul Pauly, E. H. Porter, W. K. Batchelor, T. O. Boyd, Jr., Earle V. Grover, Donald K. Carter, Horace Ramsden, Thomas O. Boyle, Ellis H. Wilson, Robert J. Riley, Earl Kingsbury.

E. H. Porter, prospective juror, in the box, is examined for cause by Attorneys Lazarus and Gilbert, respectively.

Donald K. Carter is excused on defendant's peremptory challenge and it is ordered that another name be drawn, whereupon, the clerk draws the name of George E. Montgomery, who is examined for cause by the Court, and is excused for cause by the Court by consent of both sides. It is ordered that another name be drawn, whereupon, the clerk draws the name of James A. Apffel, who is examined for cause by the Court, and excused for cause by the Court by consent of both [114] sides. It is ordered that another name be drawn, whereupon, the clerk draws the name of Joe David, Jr., who is examined for cause by the Court and by Attorneys Neukom and Cannon, respectively.

Horace Ramsden is excused on plaintiff's peremptory challenge and it is ordered that another name be drawn, whereupon, the clerk draws the name of Robert W. Cross, who is examined for cause by the Court, and excused for cause by the Court by consent of both sides. It is ordered that another name be drawn, whereupon, the clerk draws the name of Wm. A. Lavender, who is examined for cause by the Court and by Attorneys Lazarus and Cannon, respectively.

Wm A. Lavender is excused on defendant's peremptory challenge and it is ordered that another name be drawn, whereupon, the clerk draws the name of Otis Healy, who is examined for cause by

the Court and by Attorney Neukom, and excused for cause by the Court by consent of both sides. It is ordered that another name be drawn, whereupon, the clerk draws the name of Albert A. Nerney, who is examined for cause by the Court and by Attorneys Lazarus and Cannon, respectively.

Robert J. Riley is excused on defendant's peremptory challenge and it is ordered that another name be drawn, whereupon, the clerk draws the name of Edward G. Garrity, who is examined for cause by the Court, and excused for cause by the Court by consent of both sides.

By 10:58 A. M. the Court admonishes the jury that during the progress of this trial and the recesses therein they are not to speak to anyone or permit anyone to speak to them about this cause, or any matter or thing therewith connected; that until said cause is finally submitted to them for their deliberation under the instructions of the Court, they are not to speak to each other about this cause or any matter or thing therewith connected, or form or express any opinion concerning the merits of the trial until it is finally submitted to them, and declares a recess for 15 minutes.

At 11:17 A. M. court reconvenes and it is ordered that the trial proceed.

Edward G. Garrity is excused for cause by the Court by consent of both sides and it is ordered that another name be drawn, whereupon, [115] the clerk draws the name of Samuel D. Alrich, who is ex-

amined for cause by the Court and by Attorneys Neukom and Cannon, respectively.

Earle V. Grover is excused on plaintiff's peremptory challenge and it is ordered that another name be drawn, whereupon, the clerk draws the name of Oscar A. Rinnan, who is examined for cause by the Court and by Attorneys Lazarus and Peterson, respectively.

Joe David, Jr., is excused on defendant's peremptory challenge and it is ordered that another name be drawn, whereupon, the clerk draws the name of Donald F. Williams, who is examined for cause by the Court, and excused for cause by the Court by consent of both sides. It is ordered that another name be drawn, whereupon, the clerk draws the name of Wm N. Hamaker, who is examined for cause by the Court and by Attorney Lazarus, and excused for cause by the Court by consent of both sides. It is ordered that another name be drawn, whereupon, the clerk draws the name of Carl Edward Ringquest, who is examined for cause by the Court and by Attorneys Lazarus and Gilbert, respectively.

Oscar A. Rinnan is excused on plaintiff's peremptory challenge and it is ordered that another name be drawn, whereupon, the clerk draws the name of Nathan Gazin, who is examined for cause by the Court and by Attorneys Lazarus and Peterson, respectively.

Nathan Gazin is excused on defendant's peremptory challenge and it is ordered that another

name be drawn, whereupon, the clerk draws the name of George Darsie, who is examined for cause by the Court and by Attorneys Neukom and Peterson, respectively. And both sides being satisfied.

The jurors now in the box are accepted and sworn as the jury for the trial of this cause, viz.:

The Jury

1. Neil C. Needham
2. Paul Pauly
3. E. H. Porter
4. W. K. Batchelor
5. T. O. Boyd, Jr.
6. George Darsie
7. Carl Edward Ringquest
8. Albert A. Nerney
9. Thomas O. Boyle
10. Ellis H. Wilson
11. Samuel D. Alrich
12. Earl Kingsbury [116]

It being the opinion of the Court that this trial is likely to be a protracted one, the Court orders a minute order to be entered instructing the clerk to call two additional jurors to be known as alternate jurors.

The Court admonishes the jurors that during the progress of this trial and the recesses therein they are not to speak to anyone or permit anyone to speak to them about this cause, or any matter or thing therewith connected; that until said cause is finally submitted to them for their deliberation they

are not to speak to each other about this cause or any matter or thing therewith connected, or form or express any opinion concerning the merits of the trial until it is finally submitted to them, and at 12:05 P. M. declares a recess to 2 P. M. today.

At 2:05 P. M. court reconvenes and all being present as before, including the defendants stipulated herein, and the twelve jurors in the box, Attorney Cannon says that parties stipulate that alternate jurors may be selected from the names now in the box until those names are exhausted, before the names of jurors on Judge Yankwich's panel are placed in the box, and Attorney Neukom so stipulating, it is by the Court ordered that two alternate jurors be drawn, and thereupon the following two names are drawn, viz.: Dan Campbell, Jr., and Morris Golden, who take their places in the jury box and are examined for cause by the Court and by Attorneys Neukom and Cannon, respectively, and Morris Golden is examined by Attorney Gilbert.

Morris Golden is excused on defendant's peremptory challenge and it is ordered that another name be drawn, whereupon, the clerk draws the name of Thomas Godbold, who is examined for cause, and excused for cause by the Court on stipulation of counsel. It is ordered that another name be drawn, whereupon, the clerk draws the name of Loren C. Barton, who is examined for cause by the Court and by Attorneys Lazarus and Cannon, respectively.

Dan Campbell, Jr., is excused on plaintiff's peremptory challenge, and it is ordered that another name be drawn, whereupon, the clerk draws the name of Angus W. Potter, who is examined for cause by the Court, and is excused for cause by the Court on stipulation of [117] counsel. It is ordered that another name be drawn, whereupon, the clerk draws the name of John C. Niven, who is examined for cause by the Court and excused for cause by the Court on stipulation of counsel. It is ordered that another name be drawn, whereupon, the clerk draws the name of H. W. Everts, who is examined for cause by the Court and by Attorneys Neukom and Cannon, respectively.

At 2:40 P. M. Judge Yankwich jury is excused to December 9, 1941, at 10 A. M., Judge Jenney's jury is excused to December 30, 1941, at 10 A. M., and Judge O'Connor's jury is excused until notified.

Loren C. Barton and H. W. Everts are sworn as alternate petit jurors at 2:38 P. M. to try this cause with the petit jurors already impaneled, and the said fourteen jurors now being in the box, the Court admonishes them that during the progress of this trial and the recesses therein they are not to speak to anyone or permit anyone to speak to them about this cause or any matter or thing therewith connected; that until said cause is finally submitted to them for their deliberation under the instructions of the Court, they are not to speak to each other about this cause or any matter or thing therewith

connected, or form or express any opinion concerning the merits of the trial until it is finally submitted to them, * * * [118]

At a stated term, to wit: The September Term, A. D. 1941 of the District Court of the United States of America, within and for the Central Division of the Southern District of California, held at the Court Room thereof, in the City of Los Angeles on Thursday the 8th day of January in the year of our Lord one thousand nine hundred and forty-two.

Present: The Honorable J. F. T. O'Connor,
District Judge.

[Title of Cause.]

This cause coming on for further jury trial of defendants Edna W. Ballard, Donald Ballard, Betty O. Mundy, Paul Stickell, Louise Majerus, and William J. Cassiere; N. W. Neukom and R. E. Lazarus, Assistant U. S. Attorneys, appearing as counsel for the Government; David H. Cannon, Ames Peterson, W. I. Gilbert, Jr., James R. Armstrong, and Horace J. Donnelly, Jr., Esqs., appearing as counsel for the defendants, who are present; and W. A. Weigel and H. E. Snyders, Court Reporters, being present and alternately reporting the testimony and the proceedings; and counsel stipulating that the defendants are present; * * *

At 3:08 P. M. court reconvenes and all being present as before, including the defendants and the jury, and counsel stipulating that the defendants and the jury are present,

At 3:10 P. M. the Government rests. The Court makes a statement.

It is ordered that Count one of the Indictment be, and it hereby is, dismissed. [119]

* * * * * * *

At a stated term, to wit: The September Term, A. D. 1941 of the District Court of the United States of America, within and for the Central Division of the Southern District of California, held at the Court Room thereof, in the City of Los Angeles on Friday the 9th day of January in the year of our Lord one thousand nine hundred and forty-two.

Present: The Honorable J. F. T. O'Connor,
District Judge.

[Title of Cause.]

This cause coming on for further jury trial of defendants Edna W. Ballard, Donald Ballard, Betty O. Mundy, Paul Stickell, Louise Majerus, and William J. Cassiere; N. W. Neukom and R. E. Lazarus, Assistant U. S. Attorneys, appearing as counsel for the Government; Ames Peterson and Horace J. Donnelly, Jr., Esqs., appearing as counsel for the said defendants, who are present; the jury being absent; at 9:40 A. M., W. I. Gilbert, Jr. and David

H. Cannon, Esqs., come into court; Jas. R. Armstrong, Esq., comes into court later in the morning:

* * * * * * * *

Certain motions to strike are granted and are denied, as reflected by reporter's record, and exception is noted for defendants.

* * * * * * * *

At 3:33 P. M. court reconvenes and all being present as before, and counsel stipulating that the defendants are present, and the jury being absent:

Attorney Donnelly renews motion to dismiss made at the outset of the case and moves for a directed verdict of not guilty in behalf of each defendant and argues in support thereof. At 4:17 P. M. Attorney Neukom argues in opposition thereto; at 4:40 P. M. Attorney Cannon argues in support of motion for a directed verdict; and at 4:50 P. M. the Court makes a statement and motions of the defendants for directed verdict are denied and exceptions noted. [120]

* * * * * * * *

At a stated term, to wit: The September Term, A. D. 1941 of the District Courts of the United States of America, within and for the Central Division of the Southern District of California, held at the Court Room thereof, in the City of Los Angeles on Friday the 23rd day of January in the year

of our Lord one thousand nine hundred and forty-two.

Present: The Honorable J. F. T. O'Connor,
District Judge.

[Title of Cause.]

This cause coming on for further jury trial of defendants Edna W. Ballard, Donald Ballard, Betty O. Mundy, Paul Stickell, Louise Majerus, and William J. Cassiere; N. W. Neukom and R. E. Lazarus, Assistant U. S. Attorneys, appearing as counsel for the Government; David H. Cannon, Ames Peterson, W. I. Gilbert, Jr., Jas. R. Armstrong, and Horace J. Donnelly, Jr., Esqs., appearing as counsel for the said defendants, who are present; and W. A. Weigel and H. E. Snyders, Court Reporters, being present and alternately reporting the testimony and the proceedings; and the jury being present, and counsel stipulating that the defendants and the jury are present, the Court orders that the trial proceed;

* * * * * * *

The Government rests in rebuttal at 11:15 A. M. The defendants rest in sur-rebuttal at 11:15 A. M.

At 11:15 A. M. the Court reminds the jury of the admonition heretofore given and excuses the jury until Tuesday, January 27, 1942, at 10 A. M. In the absence of the jury Attorney Gilbert makes a statement re motion to strike testimony of last witness, Mrs. Ethel S. Adams, and the said motion is denied and exception noted.

Attorney Donnelly renews motion to dismiss made at the outset of the case, and by way of demurrer to the indictment, and motion for directed verdict of acquittal at the conclusion of this case for the reasons heretofore assigned on behalf of each and every one of the defendants, motions are denied and exception allowed to each defendant. [121]

At a stated term, to wit: The September Term, A. D. 1942 of the District Court of the United States of America, within and for the Central Division of the Southern District of California, held at the Court Room thereof, in the City of Los Angeles on Saturday the 31st day of January in the year of our Lord one thousand nine hundred and forty-two.

Present: The Honorable J. F. T. O'Connor,
District Judge.

[Title of Cause.]

This cause being under submission before the jury, and the jury having returned from their night's lodging at the Hotel Hayward in charge of Bailiffs George Boshae and Edward Drew at 8:45 A. M. and having resumed their deliberations in the jury room,

At 12:12 P. M. it is ordered that the jurors and the two bailiffs go to lunch at the expense of the Government and said jurors return at 1:55 P. M. and deliberate further.

At 4:25 P. M. court reconvenes, Attorneys Neukom and Lazarus being present as counsel for the Government; defendants Edna W. Ballard, Donald Ballard, Betty O. Mundy, Paul Stickell, Louise Majerus, and William J. Cassiere being present in court with their counsel Ames Peterson, W. I. Gilbert, Jr., and James R. Armstrong, Esqs., and A. Wahlberg being present as stenographic reporter and reporting the proceedings, roll of the jury is called and all the jurors being present and counsel stipulating that the defendants and the jury are present, in response to the Court's inquiry the Foreman of the jury presents verdicts, which are read and ordered filed and entered herein, to wit:

In the District Court of the United States
in and for the Southern District of California
Central Division

No. 14,858-O'C Crim.

UNITED STATES OF AMERICA,
Plaintiff,

vs.

EDNA W. BALLARD,
Defendant.

[122]

[Title of District Court and Cause.]

VERDICT OF THE JURY AS TO EDNA W. BALLARD:

We, the jury in the above-entitled case, find the defendant, Edna W. Ballard,

guilty as charged in the second count of the Indictment;
guilty as charged in the third count of the Indictment;
not guilty as charged in the fourth count of the Indictment;
guilty as charged in the fifth count of the Indictment;
not guilty as charged in the sixth count of the Indictment;
guilty as charged in the seventh count of the Indictment;
guilty as charged in the eighth count of the Indictment;
not guilty as charged in the ninth count of the Indictment;
not guilty as charged in the tenth count of the Indictment;
guilty as charged in the eleventh count of the Indictment;
and
guilty as charged in the twelfth count of the Indictment.

NEIL C. NEEDHAM,
Foreman of the Jury.

Dated: Los Angeles, Calif., Jan. 31st, 1942.

[Endorsed]: Filed, Jan. 31, 1942, R. S. Zimmerman, Clerk, By Francis E. Cross, Deputy Clerk.

In the District Court of the United States
in and for the Southern District of California
Central Division

UNITED STATES OF AMERICA,
Plaintiff,

vs.

DONALD BALLARD,
Defendant.

No. 14,858-O'C Crim.

VERDICT OF THE JURY AS TO DONALD BALLARD:

We, the jury in the above-entitled case, find the defendant, Donald Ballard,

Not guilty as charged in the second count of the Indictment;
Not guilty as charged in the third count of the Indictment;
Not guilty as charged in the fourth count of the Indictment;
Not guilty as charged in the fifth count of the Indictment;
Not guilty as charged in the sixth count of the Indictment;
Not guilty as charged in the seventh count of the Indictment;
guilty as charged in the eighth count of the Indictment;
Not guilty as charged in the ninth count of the Indictment;
Not guilty as charged in the tenth count of the Indictment;
guilty as charged in the eleventh count of the Indictment;
and
guilty as charged in the twelfth count of the Indictment;

NEIL C. NEEDHAM,
Foreman of the Jury.

Dated: Los Angeles, Calif., Jan. 31st, 1942.

In view of the circumstances *surround* the above defendant, we beg to suggest that court be lenient.

[Endorsed]: Filed, Jan. 31, 1942, R. S. Zimmerman, Clerk, By Francis E. Cross, Deputy Clerk.

In the District Court of the United States in and for the Southern District of California Central Division

No. 14,858-O'C Crim.

UNITED STATES OF AMERICA,

Plaintiff,

vs.

BETTY O. MUNDY,

Defendant.

VERDICT OF THE JURY AS TO BETTY O. MUNDY: [123]

We, the jury in the above-entitled case, find the defendant, Betty O. Mundy,

not guilty as charged in the second count of the Indictment;
not guilty as charged in the third count of the Indictment;
not guilty as charged in the fourth count of the Indictment;
not guilty as charged in the fifth count of the Indictment;
not guilty as charged in the sixth count of the Indictment;
not guilty as charged in the seventh count of the Indictment;
not guilty as charged in the eighth count of the Indictment;
not guilty as charged in the ninth count of the Indictment;

not guilty as charged in the tenth count of the Indictment;
not guilty as charged in the eleventh count of the Indictment;
and
not guilty as charged in the twelfth count of the Indictment;

NEIL C. NEEDHAM,
Foreman of the Jury.

Dated: Los Angeles, Calif., Jan. 31st, 1942.

[Endorsed]: Filed. Jan. 31, 1942, R. S. Zimmerman, Clerk, By Francis E. Cross, Deputy Clerk.

In the District Court of the United States
in and for the Southern District of California
Central Division

No. 14,858-O'C Crim.

UNITED STATES OF AMERICA,
Plaintiff,

vs.

PAUL STICKELL,
Defendant.

VERDICT OF THE JURY AS TO PAUL STICKELL:

We, the jury in the above-entitled case, find the defendant Paul Stickell:

Not guilty as charged in the second count of the Indictment;
Not guilty as charged in the third count of the Indictment;
Not guilty as charged in the fourth count of the Indictment;
Not guilty as charged in the fifth count of the Indictment;
Not guilty as charged in the sixth count of the Indictment;

Not guilty as charged in the seventh count of the Indictment;
Not guilty as charged in the eighth count of the Indictment;
Not guilty as charged in the ninth count of the Indictment;
Not guilty as charged in the tenth count of the Indictment;
Not guilty as charged in the eleventh count of the Indictment;
and
Not guilty as charged in the twelfth count of the Indictment;

NEIL C. NEEDHAM,
Foreman of the Jury.

Dated: Los Angeles, Calif., Jan. 31st, 1942.

[Endorsed]: Filed, Jan. 31, 1942, R. S. Zimmerman, Clerk, By Francis E. Cross, Deputy Clerk.

In the District Court of the United States in and for the Southern District of California Central Division

No. 14,858-O'C Crim.

UNITED STATES OF AMERICA,
Plaintiff,

vs.

LOUISE MAJERUS,
Defendant.

VERDICT OF THE JURY AS TO LOUISE MAJERUS:

We, the jury in the above-entitled case, find the defendant, Louise Majerus:

not guilty as charged in the second count of the Indictment;
not guilty as charged in the third count of the Indictment;
not guilty as charged in the fourth count of the Indictment;
not guilty as charged in the fifth count of the Indictment;

[124]

not guilty as charged in the sixth count of the Indictment;
not guilty as charged in the seventh count of the Indictment;
not guilty as charged in the eighth count of the Indictment;
not guilty as charged in the ninth count of the Indictment;
not guilty as charged in the tenth count of the Indictment;
not guilty as charged in the eleventh count of the Indictment;
and
not guilty as charged in the twelfth count of the Indictment;

NEIL C. NEEDHAM,
Foreman of the Jury.

Dated: Los Angeles, Calif., Jan. 31st, 1942.

[Endorsed]: Filed, Jan. 31, 1942. R. S. Zimmerman, Clerk, By Francis E. Cross, Deputy Clerk.

In the District Court of the United States in and for the Southern District of California Central Division

No. 14,858-O'C Crim.

UNITED STATES OF AMERICA,
Plaintiff,

vs.

WILLIAM J. CASSIERE,
Defendant.

VERDICT OF THE JURY AS TO WILLIAM J. CASSIERE:

We, the jury in the above-entitled case, find the defendant William J. Cassiere:

Not guilty as charged in the second count of the Indictment;
Not guilty as charged in the third count of the Indictment;
Not guilty as charged in the fourth count of the Indictment;
Not guilty as charged in the fifth count of the Indictment;
Not guilty as charged in the sixth count of the Indictment;
Not guilty as charged in the seventh count of the Indictment;
Not guilty as charged in the eighth count of the Indictment;
Not guilty as charged in the ninth count of the Indictment;
Not guilty as charged in the tenth count of the Indictment;
Not guilty as charged in the eleventh count of the Indictment;
and
Not guilty as charged in the twelfth count of the Indictment;

NEIL C. NEEDHAM,
Foreman of the Jury.

Dated: Los Angeles, Calif., Jan. 31st, 1942.

[Endorsed]: Filed, Jan. 31, 1942, R. S. Zimmerman, Clerk, By Francis E. Cross, Deputy Clerk. [125]

* * * * * * *

At a stated term, to wit: The Septmeber Term, A. D. 1941 of the District Court of the United States of America, within and for the Central Division of the Southern District of California, held at the Court Room thereof, in the City of Los Angeles on Tuesday the 17th day of February in the year of our Lord one thousand nine hundred and forty-two.

Present: The Honorable J. F. T. O'Connor,
District Judge.

[Title of Cause.]

This cause coming on for: (1) Further proceedings on motion of defendants Edna W. Ballard and Donald Ballard for a new trial, filed February 3, 1942; (2) Further proceedings on motion of defendants Edna W. Ballard and Donald Ballard for arrest of judgment, filed February 3, 1942; (3) Sentence of defendant Edna W. Ballard on each of counts 2, 3, 5, 7, 8, 11 and 12; and (4) Sentence of defendant Donald Ballard on each of counts 8, 11. and 12; Norman W. Neukom and Ralph E. Lazarus, Assistant U. S. Attorneys, appearing as counsel for the Government; David H. Cannon, Ames Peterson, W. I. Gilbert, Jr., and Roland Rich Woolley, Esqs., appearing for the defendants; and Horace E. Snyders, Court Reporter, being present and reporting the proceedings:

The case is called at 9:34 A. M., the court makes a statement relative to the consideration given by the court to the motions of Edna W. Ballard and

Donald Ballard for new trial and arrest of judgment, and orders that (1) motion of defendants Edna W. Ballard and Donald Ballard for a new trial, etc., and (2) motion of defendants Edna W. Ballard and Donald Ballard for arrest of judgment, etc., be, and they hereby are, denied, and exceptions noted to each defendant.

* * * * * * * *

At 9:41 o'clock A. M. the court having reconvened, and all being present as before, including both defendants, Edna W. Ballard and Donald Ballard, and counsel for both sides; and counsel for the respective parties having stipulated that the said two defendants [126] and their counsel are present, the court makes a statement and each defendant is asked if she and he have anything to say why judgment should not be pronounced upon them, and David H. Cannon, Esq. having informed the court that he has no legal cause to show why judgment should not be pronounced at this time, and Edna W. Ballard and Donald Ballard having been given permission by the court to make statements in their own behalf, Edna Ballard states that she never was, is not now and never will be guilty and neither is her son; and Donald Ballard having stated that he stands one hundred percent behind the statement just made by his mother and that he will maintain that position for all time to come, and that he believes, in good faith, everything that she and the Ascended Masters have done and that he will not change that position for any human cause, come

what may, etc., the court now pronounces sentence upon each of said defendants, as is reflected by the judgments signed by the court, which are as follows, to-wit: [127]

District Court of the United States
Southern District of California
Central Division

No. 14,858-O'C Criminal Indictment in 12 counts for violation of U. S. C., Title 18, Secs. 338; Title 18, Sec. 88

UNITED STATES

vs.

EDNA W. BALLARD

JUDGMENT ON COUNTS 2, 3, 5, 7, 8, 11 AND 12

On this 17th day of February, 1942, came the United States Attorney, and the defendant Edna W. Ballard, appearing in proper person, and with her attorneys, David H. Cannon, et al. and

The defendant having been convicted on verdict of the jury of the offense charged in the indictment in the above-entitled cause, to wit knowingly and wilfully devising and intending to devise a scheme to defraud, etc., committed on or about February 21st, 1939 at Los Angeles, Calif., and the defendant having been now asked whether she has anything to say why judgment should not be pronounced against her, and no sufficient cause to the contrary being

shown or appearing to the Court, It Is by the Court Ordered and Adjudged that the defendant, having been found guilty of said offenses, is hereby committed to the custody of the Attorney General for imprisonment in an institution of the county jail, type to be designated by the Attorney General or his authorized representative for the period of one year on each of counts 2, 3, 5, 7, 8, 11 and 12; sentences to run concurrently and not consecutively; that execution of said one-year senetnce be suspended and defendant be placed on probation for one year, and it is further ordered by the Court that said defendant pay unto the United States of America a fine in the sum of one thousand dollars on each of counts 2, 3, 5, 7, 8, and 11, and a fine of two thousand dollars on count 12, making a total fine of eight thousand ($8000.00) dollars.

(Signed) J. F. T. O'CONNOR,
United States District Judge.

(By) FRANCIS E. CROSS,
Deputy Clerk.

[Endorsed]: Filed this 17th day of February, 1942. R. S. Zimmerman, Clerk. [128]

District Court of the United States
Southern District of Calif. Central Division

No. 14,858 Criminal Indictment in 12 counts for violation of U. S. C., Title 18, Secs. 338; title 19, Sec. 88

UNITED STATES

vs.

DONALD BALLARD

JUDGMENT ON COUNTS 8, 11 AND 12

On this 17th day of February, 1942, came the United States Attorney, and the defendant Donald Ballard appearing in proper person, and with his attorneys, David H. Cannon, et al. and,

The defendant having been convicted on verdict of the jury of the offense charged in the indictment in the above-entitled cause, to wit: knowingly and wilfully devising and intending to devise a scheme to defraud, etc., committed on or about February 21st, 1939 at Los Angeles, Calif. and the defendant having been now asked whether he has anything to say why judgment should not be pronounced against him, and no sufficient cause to the contrary being shown or appearing to the Court, it is by the Court

Ordered and adjudged that the defendant, having been found guilty of said offenses, is hereby committed to the custody of the Attorney General for imprisonment in an institution of the county jail type to be designated by the Attorney General or his authorized representative for the period of

thirty days on each of Counts 8, 11 and 12, sentences to run concurrently and not consecutively; that execution of said thirty days' sentence be suspended and defendant be placed on probation for one year; and it is further ordered by the court that said defendant pay unto the United States of America a fine in the sum of one hundred dollars on each of Counts 8 and 11, and a fine of two hundred dollars on Count 12, making a total fine of four hundred ($400.00) dollars.

(Signed) J. F .T. O'CONNOR
United States District Judge

[Endorsed]: Filed this 17th day of February, 1942. (Signed) R. S. Zimmerman, Clerk. (By) Francis E. Cross, Deputy Clerk. [129]

[Title of District Court and Cause.]

NOTICE OF APPEAL WITH GROUNDS OF APPEAL

Name and Address of Appellant:
Edna W. Ballard,
1620 East 84th Place,
Chicago, Illinois.

Name and Address of Appellant's Attorneys:
David H. Cannon,
650 South Spring Street,
Los Angeles, California;
Roland Rich Woolley,
915 Transamerica Building,
Los Angeles, California.

Offense: Mail Fraud and Conspiracy to Commit Mail Fraud, Title 18, U.S.C., Sec. 338, and Title 18, U.S.C., Sec. 88.

Date of Judgment: February 19th, 1942.

Brief Description of Judgment or Sentence: One year in the County Jail and $1,000 fine on Counts 2, 3, 5, 7, 8 and 11, charging violation of Section 338 of Title 18, U.S.C. and one year in the County Jail and $2,000 fine, on Count 12, charging violation of Section 88 of Title 18, U.S.C. County Jail sentences to run concurrently with each other, and appellant was placed on probation under terms specified with sentence suspended.

Name of Prison Where Now Confined, if Not on Bail: On bail.

I, the above-named Appellant, hereby appeal to the United States Circuit Court of Appeals for the Ninth Circuit [130] from the judgment above-mentioned on the grounds set forth below.

EDNA W. BALLARD
Appellant

Dated: February 19th, 1942.

Grounds of Appeal:

Errors committed by the trial court in overruling and denying Appellant's objections to the introduction of evidence; in overruling and denying Appellant's motion for a directed verdict of not guilty made at the conclusion of the Government's case; in overruling and denying Appellant's motion for a directed verdict of not guilty made at the conclu-

sion of the entire case; in overruling and denying Appellant's challenge to the jury array; in overruling and denying Appellant's motion in arrest of judgment and in pronouncing judgment against the Appellant; and in overruling and denying the Appellant's motion for a new trial; in instructions given to the jury at the conclusion of the evidence and arguments in the case.

State of California,
County of Los Angeles—ss.

Peter T. Newhouse, being duly sworn, deposes and says: That he is a citizen of the United States, over the age of 21 years, and not a party to the foregoing action;

That he served the attached document on Ralph C. Lazarus, Assistant United States Attorney, and one of the attorneys for the plaintiff herein, on February 19, 1942, and left with him a copy thereof.

PETER T. NEWHOUSE

Subscribed and sworn to before me this 19th day of February, 1942.

(Seal) REED E. CALLISTER
Notary Public in and for said County and State

Received copy of the within Notice of Appeal with Grounds of Appeal this day of February, 1942.

WILLIAM FLEET PALMER
U. S. Attorney,
By RALPH E. LAZARUS,
Assistant U. S. Attorney,
Attorney for Plaintiff.

[Endorsed]: Filed Feb. 19, 1942: 1:40 P. M. [131]

[Title of District Court and Cause.]

NOTICE OF APPEAL WITH GROUNDS OF APPEAL

Name and Address of Appellant:

Donald Ballard,
1620 East 84th Place,
Chicago, Illinois.

Name and Address of Appellants Attorneys:

David H. Cannon,
650 South Spring Street,
Los Angeles, California;
Roland Rich Woolley,
915 Transamerica Building,
Los Angeles, California.

Offense: Mail Fraud and Conspiracy to Commit Mail Fraud, Title 18, U.S.C., Section 338, and Title 18, U.S.C., Section 88.

Date of Judgment: February 19th, 1942.

Brief Description of Judgment or Sentence: 30 days in the County Jail and $100 fine on Counts 8 and 11, charging violation of Section 338 of Title 18 U.S.C. and 30 days in the County Jail and $200.00 fine on Count 12, charging violation of Section 88 of Title 18, U.S.C. County Jail terms to run concurrently with each other, and appellant was placed on probation under terms specified with sentence suspended.

Name of Prison Where Now Confined, if Not on Bail: On bail.

I, the above-named Appellant, hereby appeal to the United States Circuit Court of Appeals for the Ninth Circuit [132] from the judgment above-mentioned on the grounds set forth below.

DONALD BALLARD
Appellant

Dated: February 19th, 1942.

Grounds of Appeal:

Errors committed by the trial court in overruling and denying Appellant's objections to the introduction of evidence; in overruling and denying Appellant's motion for a directed verdict of not guilty made at the conclusion of the Government's case; in overruling and denying Appellant's motion for a directed verdict of not guilty made at the conclusion of the entire case; in overruling and denying Appellant's challenge to the jury array; in overruling and denying Appellant's motion in arrest of judgment and in pronouncing judgment against the Appellant; and in overruling and denying the Appellant's motion for a new trial; in instructions given to the jury at the conclusion of the evidence and arguments in the case.

State of California,
County of Los Angeles—ss.

Peter T. Newhouse, being duly sworn, deposes and says: That he is a citizen of the United States, over the age of 21 years; and not a party to the foregoing action;

That he served the attached document on Ralph C. Lazarus, Assistant United States Attorney, and one of the attorneys for the plaintiff herein, on February 19, 1942, and left with him a copy thereof.

PETER T. NEWHOUSE

Subscribed and sworn to before me this 19th day of February, 1942.

(Seal) REED E. CALLISTER

Notary Public in and for said County and State

Received copy of the within Notice of Appeal with Grounds of Appeal this ..... day of February, 1942.

WILLIAM FLEET PALMER,
U. S. Attorney,
By RALPH E. LAZARUS,
Assistant U. S. Attorney,
Attorney for Plaintiff.

[Endorsed]: Filed Feb. 19, 1942 1:40 P. M. [133]

United States District Court, Southern District of California, Central Division

No. 14858-O'C Criminal

UNITED STATES OF AMERICA,

Plaintiff,

vs.

EDNA W. BALLARD,

Defendant.

STATEMENT OF DOCKET ENTRIES

1. Indictment in 12 counts for violation Title 18, Section 338 and Title 18, Section 88, United States Code—filed April 9, 1941.

2. Arraignment October 13, 1941.

3. Plea to indictment: Not Guilty.

4. Trial by jury 32 days (December 2, 3, 4, 5, 6, 10, 11, 12, 16, 17, 18, 19, 23, 30, 31—1941; January 6, 7, 8, 9, 13, 14, 15, 16, 20, 21, 22, 23, 27, 28, 29, 30, 31—1942).

5. Verdict filed January 31, 1942: Guilty counts 2, 3, 5, 7, 8, 11, 12 and Not Guilty counts 4, 6, 9, 10. (Count 1 previously dismissed on January 8, 1942)

6. Judgment entered February 17, 1942: Imprisonment in an institution of County Jail type for one year on each counts 2, 3, 5, 7, 8, 11 and 12, sentences to run concurrently; execution said one year's sentence suspended and defendant placed on

probation one year; further ordered defendant pay fine $1000 each counts 2, 3, 5, 7, 8, and 11 and a fine $2000 on count 12, making total fine of $3,000.

7. Notice of Appeal filed February 19, 1942.

Date: February 20, 1942.

Attest:
R. S. ZIMMERMAN,
Clerk,
By: JOHN A. CHILDRESS,
Deputy. [134]

United States District Court, Southern District of California, Central Division

No. 14858-O'C Criminal

UNITED STATES OF AMERICA,
Plaintiff,

vs.

DONALD BALLARD,
Defendant.

STATEMENT OF DOCKET ENTRIES

1. Indictment in 12 counts for violation Title 18, Section 338 and Title 18, Section 88, United States Code—filed April 9, 1941.

2. Arraignment October 13, 1941.

3. Plea to indictment: Not Guilty.

4. Trial by jury 32 days (December 2, 3, 4, 5, 6, 10, 11, 12, 16, 17, 18, 19, 23, 30, 31—1941; January 6, 7, 8, 9, 13, 14, 15, 16, 20, 21, 22, 23, 27, 28, 29, 30, 31—1942)

5. Verdict filed January 31, 1942: Guilty counts 8, 11, 12 and Not Guilty counts 2-7 inclusive, 9, 10. (Count 1 previously dismissed on January 8, 1942)

6. Judgment entered February 17, 1942: Imprisonment in an institution of the County jail type 30 days on each counts 8, 11, 12, sentences to run concurrently; execution said 30 day's sentence suspended and defendant placed on probation one year; further ordered defendant pay fine $100 each counts 8 and 11, and fine $200 on count 12, making total fine $400.

7. Notice of Appeal filed February 19, 1942.

Date: February 20, 1942.

Attest:

R. S. ZIMMERMAN,
Clerk,
By JOHN A. CHILDRESS,
Deputy. [135]

[Title of District Court and Cause.]

SPECIFICATION OF ERRORS

Come now the defendants Edna W. Ballard and Donald Ballard, and each in connection with this appeal makes the following specification of errors

which she and he separately aver, and they jointly aver, occurred in the trial of this cause:

I.

The District Court erred in entering judgment against, and in pronouncing sentence upon, the defendants, in that the matters and things alleged in the bill of indictment or in any count thereof do not constitute an offense against the laws of the United States, and the Court erred in overruling the demurrer for the reasons set forth in said demurrer.

II.

The District Court erred in overruling and refusing to grant the motion of the defendants, and each of them, to strike the counts and portions of counts of the indictment for the reasons set forth in said motion to strike.

III.

The District Court erred in overruling the amended motion of the defendants, and each of them, to quash the indictment for the reasons set forth in said amended motion to quash.

IV.

The District Court erred in overruling the challenge of the defendant Edna W. Ballard to the jury array for the reasons set forth in the "Challenge to the Jury Array" interposed by said defendant Edna W. Ballard.

V.

The District Court erred in overruling the challenge of the defendants, and each of them, made at the commencement of the trial to the entire panel on the ground that there had been discrimination in the selection of the jury and on the particular ground that no women were called on the said panel.

VI.

The District Court erred in denying the motions of the defendants, and each of them, made at the outset of the trial to dismiss the prosecution. The grounds of said motion were those theretofore set forth in the motion to dismiss (demurrer and amended motion to quash).

VII.

The District Court erred in denying the motion made by the defendants, and each of them, at the close of the Government's case to dismiss the defendants, and each of them. The grounds of said motion were those set forth in the demurrer and in the ensuing motion for directed verdict.

VIII.

The District Court erred in denying the motions of the defendants, and each of them, made at the close of the Government's case, to instruct the jury to find that the defendants, and each of them, were not guilty. The grounds of said motions were that the evidence adduced was insufficient to support a

verdict of guilty and that all the evidence adduced was as consistent with innocence as with guilt.

IX.

The District Court erred in overruling the motion of the defendants, and each of them, made at the close of all of the evidence, for a dismissal. The grounds were the same as set forth in the demurrer and in the motion for dismissal made at the conclusion of the Government's case.

X.

The District Court erred in overruling the motion made by the defendants, and each of them, made at the close of all of the evidence, for the direction of a verdict of acquittal. The grounds were the same as those assigned in the motion for a directed verdict of acquittal made at the conclusion of the Government's case.

XI.

The District Court erred in overruling the motion of the defendants, and each of them, for a new trial. The grounds were those set forth in the motion for new trial.

XII.

The District Court erred in overruling the motion of the defendants, and each of them, for an arrest of judgment. The grounds were those set forth in said motion for arrest of judgment.

XIII.

The District Court erred in allowing and permitting counsel for the Government to make inflammatory, prejudicial and ridiculing remarks to the jury in connection with the argument and in allowing counsel for the Government to make improper insinuations, analogies and inferences to and from the evidence, particularly the documentary evidence during the course of their argument, all of which improper action on the part of counsel for the Government was calculated to and did mislead the jury and encouraged the jury to, and the jury did, go beyond and outside of the issues actually submitted to the jury and to, as a matter of fact, render a verdict based upon its decision as to the truth or falsity of the religious tenets and beliefs of the defendants. The aforesaid improper argument of counsel for the Government questioned the actuality of religious matters taught by the defendants, the verity of the existence of the ascended masters referred to by the defendants in their religious tenets and the verity of the experiences the defendants or accredited messengers claim to have had with said ascended masters.

XIV.

The District Court erred in entering judgment against, and in pronouncing sentence upon, the defendants, and each of them, in that the verdict was void as a result of what constituted an amendment to the indictment by the Court during the course of the trial, in that the court removed issues as con-

tained in the indictment concerning the experiences of the defendants with the ascended masters, the truth or falsity of the existence of the ascended masters, and the religious concepts and beliefs of defendants, the Court having stated:

"First, the defendants in this case made certain representations of belief in a divinity and in a supernatural power. Some of the teachings of the defendants, representations, might seem extremely improbable to a great many people. For instance, the appearance of Jesus to dictate some of the works that we have had introduced in evidence, as testified to here at the opening transcription, or shaking hands with Jesus, to some people that might seem highly improbable.

"I point that out as one of the many statements.

"Whether that is true or not is not the concern of this Court and is not the concern of the jury—and they are going to be told so in their instructions. As far as this Court sees the issue, it is immaterial what these defendants preached or wrote or taught in their classes. They (the jury) are not going to be permitted to speculate on the actuality of the happening of those incidents. Now, I think I have made that as clear as I can. Therefore, the religious beliefs of these defendants cannot be an issue in this court.

"The issue is: Did these defendants honestly and in good faith believe those things? If they did, they should be acquitted. I cannot make it any clearer than that.

"If these defendants did not believe those things, they did not believe that Jesus came down and dictated, or that Saint Germain came down and dictated, did not believe the things that they wrote, the things that they preached, but used the mail for the purpose of getting money, the jury should find them guilty.

"Therefore, gentlemen, religion cannot come into this case. I want to assure Judge Armstrong and the defendants and the Government that it will not be permitted to come in.

"Now, we take up the third point, so there is going to be no misunderstanding so far as the Court is concerned.

"No attack can be made, therefore, on whether or not these things happened, but when you have a program or you have certain representations set out, you have got to show what they were. And the defendants, I assume, from counsel and counsel's statements with reference to the books and pamphlets, have not so far withdrawn a single word of what they have written or what they have preached. The defendants, so far as I can gather it from the case, although they haven't started to put it in, are standing on the whole—not program, but the whole conception (I think that is a better

word)—the whole conception of their relationship with the diety or, as it is used here, with the I Am Presence.

"Now, gentlemen, that is going to be made so clear to this jury that they are not going to misunderstand it. And that is the whole case."

(Tr. Vol. 7, pages 837 to 839.)

This resulted in a denial of the constitutional right to be tried on an indictment returned by the grand jury.

XV.

The District Court erred in not sui sponti dismissing the action herein after the Court had in effect amended the indictment by removing from the jury the consideration of the truth or falsity of the experiences of the defendants with the ascended masters and the verity of the existence of the ascended masters, in that by such amendment the purported indictment remaining failed to constitute an offense against the laws of the United States.

XVI.

The District Court erred in withdrawing from the jury certain issues raised by the indictment, to wit, the issues relating to the truth or falsity of representations made by the defendants concerning religious concepts, and in directing that no proof would be taken or heard in the course of the trial upon said issues.

XVII.

The District Court erred in overruling the objection of the defendants, and each of them, to the question propounded to the witness Harry F. Sieber as to whether he recalled what sum was stated to be the cost per volume of the initial, or first, publication of "Unveiled Mysteries", said objection being upon the following grounds:

Mr. Cannon: That is objected to on the ground * * * that the matter of the cost of these books or the prices at which they were sold is wholly and entirely immaterial on the ground that the element of profit or loss in the publication or sale of these books is no element to be considered in a mail fraud case.

The Court: Objection overruled.

Mr. Cannon: Exception.

May we at this time—I think it is a valid objection—may we without specifying each time—have a running objection to any and all testimony offered with respect to the cost of printing of these books and pamphlets and cost of the distribution of them or sale as not being within the issues and not being the proper subject matter?

Mr. Neukom: We have no objection to that theory.

The Court: Yes, it may be so understood.

The Court has already ruled that, in his opinion—the Court's opinion—the purpose of this is to show motive, good faith, and intent; and limited to

that it is permissible to permit this evidence before the jury.

It is further understood that whenever these questions are asked and answers given, that the same objection of Mr. Cannon as now made before the Court, without repeating, are made to all such questions and all such answers, and exception allowed to the defendants, and each of them.

The witness was thereupon permitted to testify that the cost per volume of the first publication of "Unveiled Mysteries" was something over a dollar; that the cost of the second edition was 26½ cents per volume; that they were being sold to the students for $2.50; that the major portion of the cost of the second edition was $900; that the "Magic Presence" was sold for $2.75 for the trade edition and $5.00 for the edition autographed by Mr. Ballard, which latter had a better binding. (Tr. Vol. 4, pp. 255 to 269.)

XVIII.

The District Court erred in overruling the objection of the defendants, and each of them, to questions propounded to the witness Harry F. Sieber relating to receipts and disbursements set forth on Government's Exhibit 77, said objection being on the following grounds:

Mr. Cannon: We have the same running objection to this, on the ground that it is immaterial and has no bearing on the issues in the case, and is hearsay as against the other defendants.

Mr. Neukom: This is in your handwriting, this last exhibit?

The Witness: It is.

The Court: Same rule as I made yesterday and exception allowed. The exhibit will be received in evidence.

The Witness was permitted to testify that said exhibit is a statement showing the receipt of $1025.25 on 11/30/34 from the second class in Philadelphia exclusive of the sale of books, and showed expenses in the sum of $286.51, and the division of the balance, $369.37 to G. W. Ballard, and the same amount to H. F. Sieber. (Tr. Vol. 4, page 272.)

XIX.

The District Court erred in overruling defendants' objection to the admission of Exhibit 99, being a record of the total amount of books, charts and pictures sold from April 4, 1935 to September 1, 1935, on the ground that said exhibit was immaterial and irrelevant and upon the further ground that it was hearsay. (Tr. Vol. 5, p. 556.)

XX.

The District Court erred in sustaining an objection to the following question which counsel for the defendants sought to ask of the witness Max Gysi, "You have a very definite interest in seeing the Government prevail in this, haven't you?" (Tr. Vol. 5, p. 623.)

XXI.

The District Court erred in sustaining an objection made by the Government to the question propounded by counsel for the defendants to the witness Margaret Schall, as follows:

"Q. You are familiar with the references in the Holy Bible to the subject of precipitation, are you not?

"A. I know what you mean.

"Q. Yes.

"There are many such references, aren't there, Mrs. Schall?

"Mr. Lazarus: If the Court please, I object to this.

"The Court: Certainly. I will sustain it. I can't see where it has any reference at all. It certainly is improper cross examination.

"Mr. Donnelly: I am sorry, your Honor. Note an exception." (Tr. Vol. 7, p. 885.)

XXII.

The District Court erred in overruling objections of the defendants to questions propounded to the witness Dr. Nephi Cottam. Said objections were made upon the ground that the questions propounded were not within the scope of the indictment page 5 paragraph I, thereof. The testimony admitted over said objection was in substance as follows:

That one side of the brain of Mr. Ballard was heavier than the other; that the brain was off

balance and that this produced improper balance throughout his entire body, that he then proceeded to adjust Mr. Ballard according to the principles of imbalance that he observed in Mr. Ballard's brain, that he released the brain and produced balance therein and also in the body; that he observed that Mr. Ballard had a bad case of catarrh, was syanose and pasty looking; that Mr. Ballard's right eye was smaller than his left eye, the right side of his face was smaller than his left; his chest was hollow, the trapesium muscles were small, the shoulders were poorly padded; that the liver was hard, the liver, heart and pancreas were congested, and the abdominal cavity was prolapsed; that his right leg was shorter than the left and his right hip higher and twisted toward the back. (Tr. Vol. 8, pp. 1094-5-6-7; 1104-5.)

XXIII.

The District Court erred in overruling the objection of the defendants to a question propounded to the witness Virginia LaFerrera as to statements made by Mrs. Ballard concerning jewelry she wore, which objection was made upon the ground that the witness was being interrogated upon a subject not referred to, averred or charged in the indictment. The substance of the testimony admitted over said objection was as follows:

That on many occasions Mrs. Ballard had stated that the only reason she had for wearing jewelry, especially large jewels, was that they carried a

powerful healing radiation and that she used them in that work. (Tr. Vol. 10, p. 1361.)

Said evidence was admitted by the Court subject to a motion to strike if not connected up. Thereafter, and at the conclusion of the Government's case, a motion was made to strike said testimony and said motion was denied. (Tr. Vol. 18, p. 2990.)

XXIV.

The District Court erred in denying the motion of the defendants to strike out the testimony of the witness Maude Hill pertaining to the appendix of said witness being the tail of a black magician. Said motion was made on the ground that the testimony was wholly immaterial, that it was a statement of a past occurrence and could not possibly have been a part of the scheme to defraud. Said motion was made on the further ground that the testimony was an attempt by the prosecution to get inflammatory testimony before the jury. (Tr. Vol. 11, pp. 1529-30; 1537-38.)

XXV.

The District Court erred in overruling the objection of the defendants to the admissibility of Exhibit 142, which objection was made on the ground that the exhibit did not tend to prove any issue in the case and was immaterial. Said exhibit relates to nine separate reports of books, etc., sold at classes, including the amount of love gifts received. (Tr. Vol. 12, pp. 1776-7.)

XXVI.

The District Court erred in overruling the objection of the defendants to the admissibility of Exhibit 143. Said objection was made on the ground that the contents of said exhibit did not prove or disprove any issue in the indictment. Said exhibit pertains to accounts of sales at a Washington class in 1939. (Tr. Vol. 12, p. 1796.)

XXVII.

The District Court erred in sustaining an objection to the following question asked of the witness Paton B. Crouse on cross-examination:

"Mr. Cannon: And how long prior to the time of this March episode I last referred to had you been making love to Marjorie Ballard.

"Mr. Neukom: Now, I object to that as assuming something not in evidence, and it is merely made for the purpose of attacking this witness.

"Mr. Cannon: Absolutely, that is the reason.

"The Court: Sustained."

(Tr. Vol. 12, pp. 1834-35)

XXVIII.

The District Court erred in overruling the objection of the defendants to the question propounded to the witness Ted Dahl as to how much money he handled for the Ballard organization for radio advertising. Said objection was made upon the ground that it was immaterial; that there was no charge of any embezzlement or misuse of any funds in con-

nection with radio advertising; and upon the further ground that the question was too indefinite. The witness was permitted to testify that during his association with the Ballard movement he handled for radio advertising approximately $190,000. (Tr. Vol. 14, pp. 2111-12).

XXIX.

The District Court erred in overruling the objection of the defendants to a question asked of the witness Ted Dahl as to how many radio stations were broadcasting transcriptions. Said objection was made on the ground that the question was immaterial, and the witness was permitted to answer that over 100 stations broadcast the transcriptions. (Tr. Vol. 14, p. 2117).

XXX.

The District Court erred in overruling the objection of the defendants to the question asked of the witness George Thomas Stevens as follows:

"Mr. Neukom: What did Mr. Ballard say with respect to this young couple?

"Mr. Cannon: Objected to as being immaterial, and not tending to support any issue in this case or any charge made in the indictment. There is nothing in the indictment with respect to any advice as to legacies or inheritances, or anything of that kind or character.

"The Court: At this time we will overrule the objection and note an exception to the defendants."

The Witness testified that Mr. Ballard said that a young couple had received a legacy and had foolishly invested it in a house when it would have been much better to have put it into the work, because they could have the use of that home for such a short time, in view of the fact that a general cataclysm was about to arrive and they would have little use for a home. (Tr. Vol. 15, pp. 2293-95.)

XXXI.

The District Court erred in overruling the objection of the defendants to a question asked of Donald Ballard as to how many automobiles had been purchased for him by the Saint Germain Press, Saint Germain Foundation, his mother or his father. Objection thereto was made upon the ground that it was not proper cross-examination, and not within the scope of the direct examination.

The witness was permitted to testify that prior to the indictment one automobile had been bought for himself and one jointly for his wife and himself, and that at one time he had had the temporary use of various cars owned by the Saint Germain Foundation. (Tr. Vol. 24, pp. 4059-60-61-62.)

XXXII.

The District Court erred in permitting misconduct of counsel for the Government in asking the defendant Edna W. Ballard the question, "Have you ever read Grimm's Fairy Tales, Mrs. Ballard?" (Tr. Vol. 26, p. 4433) (to which said defendant

replied in the negative), while the Government attorney was questioning her concerning her religious tenets and in permitting counsel for the Government to ask this defendant the question, "Mrs. Ballard were you around San Francisco during the earthquake of 1904", (to which no reply was elicited), while interrogating this defendant concerning religious beliefs and tenets relating to the prevention of destruction through decrees, both of said questions having obviously been asked of the defendant for the purpose of holding up to ridicule before the jury her religious tenets and beliefs. (Tr. Vol. 26, pp. 4442-43.)

XXXIII.

The District Court erred in overruling the objection of the defendants to a question asked of the witness Ethel S. Adams as to what either Mr. or Mrs. Ballard had said with reference to donations or gifts to them. Said objection was made upon the ground that the question was not proper rebuttal. Said witness was permitted to testify that Mr. and Mrs. Ballard had said at meetings that persons should give freely so that they could expect to receive freely and that boxes or baskets were passed through the audience during the evening; that the ascended masters would know of gifts which were received and that the giver would be rewarded in kind with interest. (Tr. Vol. 27, pp. 4513-14-15-16-17-18.) The witness further testified that Mr. and Mrs. Ballard had stated at a meeting in the Trinity

Auditorium in 1935 or 1936, that in order to purify the listeners' physical bodies and to make it possible to come back in a physical body through another life, an understanding of the I Am work would have to be obtained through the current publication, "Unveiled Mysteries". (Tr. Vol. 27, p. 4519.)

The District Court further erred in overruling the objection of the defendants to a question propounded to this witness as to whether she remembered attending a meeting in July of 1938 where a statement was made by Edna W. Ballard with reference to criticism directed toward her. Objection was made on the ground that the question was not proper rebuttal and the witness was permitted to testify that at said time Mrs. Ballard stated that she was going to give the people a scolding, that many rumors had been coming in of criticisms; that she was getting tired and sick of it, and pounded the desk with her fists, saying that if there was anybody within sound of her voice who dared to criticise her or her work that they might never have been born and that the time would come when they would wish they had not been; that Mrs. Ballard stated, "We are eating the meal. The pie is good and we like it." (Tr. Vol. 27, pp. 4522-25.)

The District Court further erred in denying a motion of the defendants to strike the testimony of said witness Ethel S. Adams on the ground that it was not proper rebuttal testimony. (Tr. Vol. No. 27, pp. 4534-35.)

XXXIV.

The District Court erred in overruling the objection of the defendants to the admission of Exhibit 203. Said objection was made on the ground that the use thereof violated Articles IV, V, and VI of the Constitution of the United States; that the said letters and statements contained therein were not voluntarily produced but involuntarily, by reason of the necessity of rebutting an erroneous charge by the Government at a former trial of these defendants. Said Exhibit 203 consists of letters written by Guy W. Ballard from Mt. Shasta, California, addressed to the defendant Edna W. Ballard and relate to the writing of the book, "Unveiled Mysteries", by said Guy W. Ballard while at said Mt. Shasta. (Tr. Vol. 17, p. 2799—Vol. 18, p. 2847.)

XXXV.

The District Court erred in denying the motion to strike certain specified evidence made by the defendants at the conclusion of the Government's case (these exceptions are numbered corresponding to their numbers in exception which will be known as Exception No. 80 in the Bill of Exceptions), said motions as to all of the following, were made upon the grounds that the evidence involved was immaterial and called for speculation by and conjecture of the jury as to the verity of the existence of the ascended masters and as to the verity of experiences had by the defendants with the ascended masters:

Subd. (5) Exhibit 72, being a letter dated October 26, 1934, addressed to Harry F. Sieber, typewritten signature of Saint Germain, advising Mr. Sieber in connection with various business affairs of the activity.

(16) Exhibit 93, being a letter dated December 25, 1934, typewritten signature of Saint Germain, addressed to Beloved Brother of the Light, extending Christmas greetings.

(17) Exhibit 94, being a letter addressed to the Siebers, dated December 27, 1934, signed The Messengers, The Ballards, and reciting that they had had a marvelous discourse from Saint Germain on Christmas Day.

(19) From Exhibit 4 (The Magic Presence), page XI, to the effect that the book contained experiences of the author with the ascended master Saint Germain, and reciting some of the experiences.

(20) Exhibit 96, a document dated April 21, 1935, signed by Mrs. Ballard and reciting that a picture of Jesus Christ as painted by Mr. Sindelar was a perfect likeness of Jesus as seen by Mrs. Ballard.

(21) Exhibit 97, being a pamphlet entitled "New Pictures of the Ascended Master Jesus and Saint Germain"; this pamphlet recited that the likeness of Jesus painted by Mr. Sindelar was a likeness exactly as Jesus appeared to the Ballards.

(22) Exhibit 98, a document signed Saint Ger-

main, dated June 19, 1935, addressed to Beloved Brother of the Light (Max Gysi), and instructing that publications of the Sun Publishing Company should not be given out, but that the students' attention should be directed to the publications of the Saint Germain Press.

(23) A portion of Exhibit 12, page 4, April 1936 issue of "The Voice", reciting that the colors red and black are never used by an ascended master.

(24) From Exhibit 28, August 1937 issue of "The Voice" to the effect that red according to the ascended masters is an undesirable color.

(27) Exhibit 101, being a letter to Mr. Gysi, signed Saint Germain, dated October 3, 1935, reciting that human criticism should not be allowed to cause discord.

(29) Exhibit 103, being a document dated November 19, 1935, addressed to "To Whom It May Concern", signed Saint Germain, disaffirming mistakes of the Assistant Director Max Gysi, particularly in which he referred to a Mrs. Iola Bernard having precipitated stones.

(32) Exhibit 109, being a letter addressed to Harry Rogers, dated October 31, 1939, signed Saint Germain, to the effect that Saint Germain directs that no more money should be contributed by the students to Catherine Rogers or Virginia La Ferrera, and to the effect that all students are released from their promise to stand by Mr. Rogers' group.

(34) From Exhibit 29, September 1937 issue of "The Voice" to the effect that Saint Germain had

taken the Ballards and shown them the law and given them full authority and that Saint Germain had come to the Ballards in his visible, tangible body.

(36) From Exhibit 48, April 1939 issue of "The Voice", to the effect that Jesus said in His Discourse that those who doubted that He, Jesus, used certain language in other discourses were unfortunate, as He had used the language of said discourses.

(40) From Exhibit 5, at pages 118 and 119, to the effect that questions arise with the students concerning precipitation of money.

(46) From Exhibit 10, February 1936 issue of "The Voice", pages 7 and 8, the Discourse of Jesus Christ, wherein in effect Jesus Christ sanctioned the appointment of the Ballards as messengers and advised that the Students use the books of the Saint Germain Press.

(48) From Exhibit 104, a group letter, dated December 17, 1937, which recites that Jesus gave a dictation on Thanksgiving Day urging all to harmonize their feelings so as to attain greater success in the I Am activity.

(50) From Exhibit 29, September 1937 issue of "The Voice", page 3, in which Saint Germain expresses his gratitude to the student body and messengers for the assistance that they have given.

(52) From Exhibit 8, Ascended Master Light, at page 139, dictation of Mighty Astrea to the ef-

fect that a black magician had been seized and bound.

(54) From Exhibit 47, March 1939 issue of "The Voice", Mighty Victory's Discourse to effect that if the students went to India they would not have as much law as they were getting from the I Am without the great expense and to the effect that the messengers have not had a single failure in their application; that thousands of people have been healed by one call of the messengers.

(62) From Exhibit 18, October 1936 issue of "The Voice", at page 22, Saint Germain's discourse, to the effect that the last of the powerful black magicians had been seized.

(74) From Exhibit 58, February 1940 issue of "The Voice", page 32, Saint Germain's discourse, to the effect that ascension would be assured with obedience and that ascension was as practical as anything in the mechanical world.

(75) From Exhibit 46, February 1939 issue of "The Voice", page 19, from Great Divine Director's discourse to effect that thousands of students who would otherwise have died within five years would ascend.

(76) From Exhibit 52, August 1939 issue of "The Voice", Saint Germain's discourse concerning a new dispensation, that is changing the requirement of ascension from taking the physical body to merely taking the etheric body.

(78) From Exhibit 54, October 1939 issue of

"The Voice", Cosmic Master Ray O Light's discourse, to effect that in all the dictations given, no one conflicting statement has been made.

(79) From Exhibit 32, December 1937 issue of "The Voice", Jesus' Discourse, to the effect that the messengers are performing thousands more healings than Jesus performed.

(80) From Exhibit 48, April 1939 issue of "The Voice", Jesus' Discourse, to effect that there was only one thing that He did the messengers had not done, to wit, raising from the dead.

(92) Exhibit 122, a letter dated August 21, 1933 to Mrs. Muriel Bliss, signed Saint Germain, to the effect that Mrs. Bliss had fallen down in her duties, that her digression would have been greater if it had not been for the intercession of Saint Germain's messenger, Mr. "B".

(95) From "The Magic Presence", pages 363 to 364, reciting experiences had with the ascended masters.

(100) Exhibit 126, a letter dated June 22, 1939, to Virginia LaFerrera signed Saint Germain, to the effect that Mrs. LaFerrera was dismissed by reason of her vicious falsehoods.

(113) From Exhibit 11, March 1936 issue of "The Voice", to the effect that in the Royal Teton Mountains there is located the Great Council Hall where the great masters assemble.

(117) From Exhibit 54, October 1939 issue of "The Voice", K-17's dictation to the effect that K-17 stated that if the students would make the

call that he would assure them that three submarines on the way to the Panama Canal would be destroyed and to the effect that thereafter such destruction took place. (124) From Exhibit 32, December 1937 issue of "The Voice", page 3, Jesus' Discourse to the effect that thirty-four of those present at the time of the giving of the discourse had been present at Jesus' ascension 2000 years before and that Beloved Lotus was the only one who had written an accurate description of the mystery and ascension of Christ.

(135) Testimony of the witness Mrs. Hill that she had heard Mr. Paul Stickell state that he had seen Saint Germain.

(144) Group leader letter dated June 30, 1939 to the effect that Mr. Kelly had made an ascension and to effect that he was able to do so because he followed the teachings of the activity.

(145) From Exhibit 59, March 1940 issue of "The Voice", page 41, to the effect that Saint Germain had not verified the ascension of Kelly and until such was done pictures of Kelly should not be passed around as being one of those who have ascended.

(146) From Exhibit 59, March 1940 issue of "The Voice", page 34, to the effect that the inner work of Mr. Ballard's ascension had been completed in Honolulu in 1936 but his etheric body did not withdraw until December 31, 1939.

(147) From Exhibit 57, January 1940 issue of "The Voice", page 26, to the effect that Guy W.

Ballard made his ascension December 31, 1939 from Royal Teton.

(153) From Exhibit 8, "Ascended Master Light", Discourse of David Lloyd, to the effect that Betty Mundy is usually equal to the occasion of transcribing the dictations even though they come fast; that dictations are given fast because of the great release of power.

(154) From Exhibit 6, "Ascended Master Discourses", page IX, to the effect that Mr. Ballard received the discourses in words of living light before thousands of I Am students who felt the closeness and reality of the ascended masters.

(155) Testimony of Paton B. Crouse to effect that there was an ascended master by the name of "Ray O Light".

(156) Testimony of Paton B. Crouse to effect that there was an ascended master or mistress by the name of "Goddess of Liberty".

(162) Exhibit 145, group leader letter dated March 18, 1938, to effect that on the ensuing Sunday there would be ten ascensions, five from the Cave of Symbols in America, and five from the retreat in Arabia; that so it had been said by Saint Germain.

(171) From Exhibit 55, November 1939 issue of "The Voice", Jesus' discourse to effect that the Ballards had rendered great services and that they had healed a greater number in comparison to those of Jesus Himself.

(187) From Exhibit 29, September 1937 issue of

"The Voice", under the heading "Radio Broadcast", to effect that Mr. and Mrs. Ballard and Donald had stood in the visible, tangible presence of Saint Germain many, many times.

(190) From Exhibit 15, July 1936 issue of "The Voice", discourse of Saint Germain to the effect that what you really want you could precipitate, that your can just as easily find $10,000 in your pocket as 10 cents.

(218) From Exhibit 42, October 1938 issue of "The Voice", the Mighty Victory discourse, to the effect that individuals had at sometimes tried to deceive the messengers, believing that the messengers didn't know everything that was going on.

(277) From Exhibit 197, November 1940 issue of "The Voice", Saint Germain's discourse, to effect that some day Saint Germain would come forth in his tangible body and appear to the Minute Men and to the effect that things they don't have they can precipitate, but that the people of America have got to finance and support the work of the I Am.

(278) From the September 1940 issue of "The Voice" (no exhibit number given), from page 9, discourse of Mighty Cuzco to effect that all discarnate entities had been removed from Southern California and to the effect that the ascended masters had prevented spite activities from destroying Southern California.

(298) From Exhibit 43, November 1938 issue of "The Voice", page 19, to effect that Mr. Guy W.

Ballard had never done a dishonest or dishonorable thing in his entire life and never would.

(313) From Exhibit 18, October 1936 issue of "The Voice", Saint Germain's discourse, to the effect that it is possible for hundreds of students to make ascensions. (Tr. Vol. 18, page 2951 to Vol. 19, page 3108.

Wherefore, the defendants Edna W. Ballard and Donald Ballard, and each of them, pray by reason of the errors aforesaid that the judgment and sentence against and upon them, and each of them, be reversed.

ROLAND RICH WOOLLEY
JOSEPH F. RANK
RALPH C. CURREN
By ROLAND RICH WOOLLEY
Attorneys for Defendants.

Dated: April 17th, 1942.

Receipt of copy of the within Specification of Errors is admitted this 17 day of April, 1942.

WM. FLEET PALMER
United States Attorney
RALPH E. LAZARUS
NORMAN W. NEUKOM
Assistant United States Attorneys
By NORMAN W. NEUKOM
Attorneys for Plaintiff.

[Endorsed]: Filed Apr. 17, 1942.

[Title of District Court and Cause.]

PRAECIPE

To the Clerk of the District Court of the United States, Southern District of California, Central Division:

Please prepare printed record of the transcript on appeal in this cause and include therein the following:

1. The Indictment.
2. Demurrer to Indictment.
3. Motion to quash.
4. Supplement to motion to quash.
5. Motion to strike.
6. Amended motion to quash.
7. Amended motion to strike.
8. Order denying motion to quash, amended motion to quash, motion to strike and amended motion to strike.
9. Minutes pertaining to arraignment.
10. Minutes pertaining to empanelment of jury as to defendants Edna W. Ballard, Donald Ballard, Betty O. Mundy, Paul Stickell, Louise Majerus and William J. Cassiere.
11. Minute order of January 8, 1942 ordering that count one of the indictment be dismissed.
12. Order denying motion of defendants for directed verdicts of not guilty, entered January 9, 1942. [136]

13. Order denying the defendants' motion to dismiss and for directed verdict of acquittal, entered January 23rd, 1942.
14. Minute order setting forth the proceedings and the return of the verdict of the jury, including verdict of the jury pertaining to the respective defendants.
15. Order denying motion of defendants Edna W. Ballard and Donald Ballard for new trial and an arrest of judgment.
16. Proceedings on sentence and judgment of Edna W. Ballard and Donald Ballard.
17. Notice of appeal of Edna W. Ballard and Donald Ballard.
18. Statement of docket entries as to Donald Ballard and Edna W. Ballard.
19. Specification of errors.
20. Bill of exceptions.
21. This praecipe.

Dated: This 8th day of May, 1942.

ROLAND RICH WOOLLEY
RALPH C. CURREN
JOSEPH F. RANK
By JOSEPH F. RANK
Attorneys for Defendants,
Edna W. Ballard and Donald Ballard.

Received copy of the within Praecipe this 8 day of May, 1942.

WM. FLEET PALMER,
United States Attorney,
RALPH E. LAZARUS,
NORMAN W. NEUKOM,
Assistant United States Attorneys
by NORMAN W. NEUKOM,
Attorneys for Plaintiff.

[Endorsed]: Filed May 11, 1942. [137]

In the District Court of the United States, Southern District of California, Central Division

No. 14858 O'C Criminal

UNITED STATES OF AMERICA,
Plaintiff,

vs.

EDNA W. BALLARD,
Defendant.

BAIL BOND ON APPEAL

Know All Men by These Presents:

That I, Edna W. Ballard, of the City of Los Angeles, California, as principal and the National Automobile Insurance Company, a corporation, as surety, are jointly and severally held firmly bound unto the

United States of America in the sum of Five Thousand and no/100 Dollars, for the payment of which said sum we and each of us bind ourselves, our heirs, executors, administrators and assigns.

The condition of the foregoing obligation is as follows::

Whereas, later, to-wit, on the 17th day of February, 1942, at a term of the District Court of the United States, in and for the Southern District of California, Central Division, in an action pending in said court in which the United States of America was plaintiff and Edna W. Ballard was defendant, a Judgment and sentence was made, given, rendered and entered against the said Edna W. Ballard, in the above entitled action, whereas she was convicted as charged under Counts Two, Three, Five, Seven, Eight, Eleven and Twelve in said indictment;

Whereas, in said judgment and sentence, so made, given, rendered and entered against said Edna W. Ballard, she was by said judgment sentenced to One year in the County Jail and to pay a fine of $1000.00 on each of Counts Nos. 2, 3, 5, 7, 8, and to One year in the County Jail on Count 12 and to pay a $2000.00 fine on said count No. 12, the terms of imprisonment to run concurrently with each other; and that the said Edna W. Ballard be placed on probation during this year, not to be required to serve [138] the sentence, and report to the probation officials.

Whereas, the said Edna W. Ballard has filed a notice of appeal from the said conviction and from

the said judgment and sentence, appealing to the United States Circuit Court of Appeals for the Ninth Circuit; and

Whereas, the said Edna W. Ballard has been admitted to bail pending the decision upon said appeal, in the sum of $5000.00.

Now, Therefore, the conditions of this obligation are such that if said Edna W. Ballard shall appear in person, or by her attorney, in the United States Circuit Court of Appeals for the Ninth Circuit on such day or days as may be appointed for the hearing of said cause in said court and prosecute *his* appeal; and if the said Edna W. Ballard shall abide by and obey all orders made by the said United States Circuit Court of Appeals for the Ninth Circuit and if said Edna W. Ballard shall surrender herself in execution of said judgment and sentence, if the judgment and sentence be affirmed by the said United States Circuit Court of Appeals for the Ninth Circuit; and if the said Edna W. Ballard will appear for trial in the District Court of the United States, in and for the Southern District of California, Central Division, on such day or days as may be appointed for retrial by said District Court, if the said judgment and sentence against *him* be reversed,

Then this obligation shall be null and void; otherwise to remain in full force and effect.

It is further agreed that the provisions of Rule 13 of the District Court for summary judgment

against sureties are deemed a condition of this recognizance.

EDNA W. BALLARD
Principal
Room 915 - 649 So. Olive
Address

NATIONAL AUTOMOBILE
INSURANCE CO.
[Seal] By HARRY I. RUBIN
Attorney in Fact [139]

State of California,
County of Los Angeles—ss.

On this 17th day of Feb. A. D. 1941, before me, Ed Groves, a Notary Public in and for the County and State aforesaid, duly commissioned and sworn, personally appeared Harry I. Rubin, Attorney-in-Fact of the National Automobile Insurance Company, to me personally known to be the individual and officer described in and who executed the within instrument, and he acknowledged the same, and being by me duly sworn, deposes and says that he is the said officer of the Company aforesaid, and the seal affixed to the within instrument is the corporate seal of said Company, and that the said corporate seal and his signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said corporation.

In Witness Whereof, I have hereunto set my hand and affixed my official seal at my office in the City

of Los Angeles, County of Los Angeles, the day and year first above written.

[Seal] ED GROVES

Notary Public in and for the County of Los Angeles, State of California.

My Commission Expires March 7, 1945.

Approved as to Form

W. FLEET PALMER
United States Attorney

BETTY MARSHALL GRAYDON
Asst. United States Attorney

I hereby certify that I have examined the within bond and that in my opinion the form hereof is correct and surety thereon is qualified.

ROLAND RICH WOOLLEY and
DAVID H. CANNON
Attorney for Defendant and
Appellant

The foregoing bond is approved this 19 day of Feby 1942.

J. F. T. O'CONNOR
United States District Judge

[Endorsed]: 2/19/42 OK as to Amount. R. S. Zimmerman, Clerk U. S. District Court, Southern District of California. By Francis E. Cross, Deputy.

[Endorsed]: Filed Feb. 19, 1942. [140]

In the District Court of the United States, Southern District of California, Central Division.

No. 14858 Criminal

UNITED STATES OF AMERICA,

Plaintiff,

vs.

DONALD BALLARD,

Defendant.

BAIL BOND ON APPEAL

Know All Men by These Presents:

That I, Donald Ballard, of the City of Los Angeles, California, as principal and the National Automobile Insurance Company, a corporation, as surety, are jointly and severally held firmly bound unto the United States of America in the sum of Twenty-five Hundred and no/100 Dollars, for the payment of which said sum we and each of us bind ourselves, our heirs, administrators and assigns.

The condition of the foregoing obligation is as follows:

Whereas, later, to-wit, on the 17th day of February 1942, at a term of the District Court of the United States, in and for the Southern District of California, Central Division, in an action pending in said court in which the United States of America was plaintiff and Donald Ballard was defendant, a Judgment and sentence was made, given, rendered and entered against the said Donald Ballard, in the

above entitled action, whereas he was convicted as charged under Counts Eight, Eleven and Twelve in said indictment;

Whereas, in said judgment and sentence, so made, given, rendered and entered against said Donald Ballard, he was by said judgment sentenced to Thirty Days in the County Jail on each of Counts Nos. 8, 11, and 12, the terms of imprisonment to run concurrently with each other, and to pay a fine of $100.00 on Count 8 and a fine of $100.00 on Count 11, and a fine of $200.00 on County 12, and that said Donald Ballard be placed on probation during this year, not to be required to serve the sentence, and report to the probation officials. [141]

Whereas, the said Donald Ballard has filed a notice of appeal from the said conviction and from the said judgment and sentence, appealing to the United States Circuit Court of Appeals for the Ninth Circuit; and

Whereas, the said Donald Ballard has been admitted to bail pending the decision upon said appeal, in the sum of $2500.00.

Now, Therefore, the conditions of this obligation are such that if said Donald Ballard shall appear in person, or by his attorney, in the United States Circuit Court of Appeals for the Ninth Circuit on such day or days as may be appointed for the hearing of said cause in said court and prosecute his appeal; and if the said Donald Ballard shall abide by and obey all orders made by the said United States Circuit Court of Appeals for the Ninth Cir-

cuit and if said Donald Ballard shall surrender himself in execution of said judgment and sentence, if the judgment and sentence be affirmed by the said United States Circuit Court of Appeals for the Ninth Circuit; and if the said Donald Ballard will appear for trial in the District Court of the United States, in and for the Southern District of California, Central Division, on such day or days as may be appointed for retrial by said District Court, if the said judgment and sentence against him be reversed,

Then this obligation shall be null and void; otherwise to remain in full force and effect.

It is further agreed that the provisions of Rule 13 of the District Court for summary judgment against sureties are deemed a condition of this recognizance.

DONALD BALLARD
Principal
Room 915 - 649 So. Olive
Address

NATIONAL AUTOMOBILE INSURANCE CO.
[Seal] By HARRY I. RUBIN
Attorney in Fact [142]

State of California,
County of Los Angeles—ss.

On this 17th day of Feb. A. D. 1942, before me, Ed Groves, a Notary Public in and for the County and State aforesaid, duly commissioned and sworn, personally appeared Harry I. Rubin, Attorney-in-

Fact of the National Automobile Insurance Company, to me personally known to be the individual and officer described in and who executed the within instrument, and he acknowledged the same, and being by me duly sworn, deposes and says that he is the said officer of the Company aforesaid, and the seal affixed to the within instrument is the corporate seal of said Company, and that the said corporate seal and his signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said corporation.

In Witness Whereof, I have hereunto set my hand and affixed my official seal at my office in the City of Los Angeles, County of Los Angeles, the day and year first above written.

[Seal] ED GROVES

Notary Public in and for the County of Los Angeles, State of California.

My Commission Expires March 7, 1945.

Approved as to Form

W. FLEET PALMER
United States Attorney
BETTY MARSHALL GRAYDON
Asst. United States Attorney

I hereby certify that I have examined the within bond and that in my opinion the form hereof is correct and surety thereon is qualified.

ROLAND RICH WOOLLEY and
DAVID H. CANNON
Attorney for Defendant and
Appellant

The foregoing bond is approved this 19 day of Feby 1942.

J. F. T. O'CONNOR
United States District Judge

[Endorsed]: 2/19/42 OK as to amount. R. S. Zimmerman, Clerk U. S. District Court, Southern District of California. By Francis E. Cross, Deputy.

[Endorsed]: Filed Feb. 19, 1942. [143]

[Title of District Court and Cause.]

CERTIFICATE OF CLERK

I, Edmund L. Smith, Clerk of the District Court of the United States for the Southern District of California, do hereby certify that the foregoing pages numbered from 1 to 143 inclusive contain full, true and correct copies of Indictment; Demurrer; Motion to Quash; Supplement to Motion to Quash; Motion to Strike; Amended Motion to Quash; Amended Motion to Strike; Decision of Judge J. F. T. O'Connor; Minutes of Arraignment and Plea; Minutes of Impanellment of Jury; Minutes of dismissal of Count One; Minutes of denial of Motions for Directed Verdict at end of Government's Case; Minutes of denial of Motions for Directed Verdict at end of entire Case; Minutes on verdicts; Minutes on denial of motions for new Trial and for Arrest of Judgment; and on Pronouncement of Sentences; Judgments; Notices of Appeal; Statements

of Docket Entries; Praecipe for Transcript of Record on Appeal; and Bail Bonds on Appeal which together with the Bill of Exceptions and Specification of Errors and the Original Exhibits transmitted herewith constitute the record on appeal to the United States Circuit Court of Appeals for the Ninth Circuit.

I further certify that the fees of the Clerk for comparing, correcting and certifying the foregoing record amount to $33.85, which amount has been paid to me by the Appellants.

Witness my hand and the seal of the District Court this 2nd day of June, 1942.

[Seal] EDMUND L. SMITH
Clerk
By THEODORE HOCKE
Deputy.

[Endorsed]: No. 10059. United States Circuit Court of Appeals for the Ninth Circuit. Edna W. Ballard and Donald Ballard, Appellants, vs. United States of America, Appellee. Transcript of Record. Upon Appeal from the District Court of the United States for the Southern District of California, Central Division.

Filed June 3, 1942.

PAUL P. O'BRIEN,
Clerk of the United States Circuit Court of Appeals for the Ninth Circuit.

[Title of District Court and Cause.]

ENGROSSED BILL OF EXCEPTIONS

Be It Remembered, that this cause came on regularly for trial on the 2d day of December, 1941, before the Honorable J. F. T. O'Connor, Judge of said Court, sitting with a jury, Wm. Fleet Palmer, United States Attorney, Norman W. Neukom and Ralph E. Lazarus, Assistant United States Attorneys, appearing as attorneys for the plaintiff; David H. Cannon, Ames Peterson, W. I. Gilbert, Jr., James R. Armstrong, and Horace J. Donnelly, Jr., appearing as attorneys for the defendants, whereupon the trial of said cause proceeded, and the following proceedings were had:

Exception No. 1.

The Clerk: Trial in the case of United States v. Edna Ballard, and others.

Mr. Cannon: If the Court please—I want this for the record before the jury is called—the defendants jointly and severally challenge the jury as an entire panel on the ground that there has been discrimination in the selection of the jury [1*] panel, particularly in that no women are called on the panel, and upon the other grounds upon which the challenges filed to the entire jury array were summoned as jurors in the case.

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*Page numbering appearing at bottom of page of "Engrossed Bill of Exceptions."

The Court: An exception is allowed to the defendants.

Mr. Cannon: If the Court please, may we put into the record a stipulation as to the summoning of this jury, that is, that no women were called on this panel as trial jurors solely because of the fact that they were women and following the usual practice in this district.

Mr. Neukom: We join in that, with this proviso, that we stated that it was always the practice of the judges in this court to not use women. As to the reasons, I don't know. Thereupon the jury was impanelled.

Exception No. 2

Mr. Cannon: I would like at this time to make a motion.

The defendants at this time jointly and severally move the Court to dismiss the prosecution here on all of the grounds heretofore set out in the motion to dismiss heretofore filed and argued and which was filed in writing some weeks ago, and also upon the ground that the opening statement of the prosecution does not present a case to go to the jury.

The Court: The motion will be denied, and an exception will be allowed to each of the defendants.

It was stipulated between counsel that the Government may offer in evidence and have marked as Government's Exhibits 1 and 2, respectively, the Articles of Incorporation of the Saint Germain Foundation, an Illinois corporation, and the Articles

of Incorporation of Saint Germain Press, Inc., and Illinois corporation, which exhibits were received in evidence and so marked.

Thereupon

J. H. VAN METER

was called as a witness in behalf of the Government and testified as follows:

I am a Post Office Inspector and I have been so employed since July 1, 1935. The investigation of the defendants in connection [2] with the I Am organization commenced the latter part of 1939. I was present at a conference at the Biltmore Hotel on July 15, 1940, at which in addition to myself, Postal Inspector Callahan, Donald Ballard, Paul Stickell, Mrs. G. W. Ballard, Betty Mundy, Mr. Armstrong, Bert Corporon, Frederick Landwehr, Jack Koster, Henry B. Ely and Frank N. Vonderhoya were present. The first statement at the conference was made by Mr. Ely who said that in a telephone conversation with Mr. Callahan a few days prior Mr. Callahan had told him that he desired to ask Mrs. Ballard certain questions concerning her business and that the meeting had been arranged for that purpose. The conversation held on this date was being transcribed on a recording device which was there and the conversation was recorded on records. Neither Mr. Callahan nor myself took the machine there. It was there when we

(Testimony of J. H. Van Meter.)

arrived. Frank Vonderhoya and Donald Ballard were operating it. It was operated during the entire interview, except that as we were leaving, when certain books were given to us, I believe the machine had been turned off. After the interview, Mrs. Ballard told us that we might have a copy of the recording, that they could dub off another set of records and that they would be glad to furnish that for us if we wanted it. I did receive records which were alleged to be a transcription of the conference. (Tr. Vol. 2, p. 76.)

The carton containing four cardboards with records inside is the carton I received after the conference at the Biltmore Hotel on July 15, 1940. The records shown to me were inside the carton. I received the carton from Henry B. Ely and since receiving the carton, have played the records on a machine which acts as a phonograph. From my knowledge and recollection of what transpired at that conference at the Biltmore Hotel on July 15, 1940, these records appeared to reproduce accurately the conference as it occurred. The Mr. Ely who gave me the [3] records was the same Mr. Ely who was at the conference and spoke during it from time to time. I believe that from my recollection of the conference, I am able to determine when playing these records who was speaking at specific times, except in those instances where there were two or three people speaking at the same time, which occurred occasionally on the records. Said

(Testimony of J. H. Van Meter.)

records, which are Government's Exhibit 9, were thereupon offered in evidence by the Government.

Exception No. 3

Mr. Cannon: If the Court please, at this time, on behalf of the defendants, we object to the offer on the ground that no sufficient or any foundation has been laid for their introduction in evidence; on the further ground that it is an interview alleged to have occurred between persons not now on trial and not now charged with any offense; and on the further ground that they contain many statements that are wholly and entirely immaterial and irrelevant and have no bearing upon the case or any issue in the case.

The Court: Objection overruled. Exception allowed.

It was thereupon stipulated between counsel for the Government and for the defendants that when an objection was made by Mr. Cannon the objection would be understood to be made on the part of all defendants, unless a defendant disclaimed the objection. It was further stipulated that such objection may be deemed to be taken separately as to each defendant and the exception taken in the same manner.

Mr. Lazarus: With the Court's permission, at this time I ask leave to play these records to the Court and to the jury.

(Testimony of J. H. Van Meter.)

The Court: The objection is on the record, and exception allowed.

Mr. Cannon: It will run throughout the entire [4] proceedings with respect to these records?

The Court: Oh, yes.

It was thereupon stipulated that certain books, marked Exhibits 3 to 8, inclusive, for identification and magazines, marked Exhibits 10 to 62, inclusive, for identification were given to the witness by Mrs. Ballard at the close of the conference, and that two booklets, marked Exhibits 65 and 66, for identification, were delivered to the witness at the same time.

The Witness: Government's Exhibits 63, 64 and 67 were turned over to me several weeks after the interview by Mr. Vonderhoya, who said he was a member of the Ballard staff.

The authenticity of the documents was stipulated to by counsel. (Tr., Vol. 2, pp. 83, 84; Vol. 3, pp. 110, 111.)

Voir Dire Examination

By Mr. Cannon:

The Witness: Possibly one of the very first things that was said when we went into the conference was a statement by Mr. Ely who said, "This meeting is held pursuant to a request of Mr. Callahan of the United States Postal Inspection Service." I don't believe that was recorded. I recall some such statement being made. The interview was arranged in the following manner. Mr. Ely

(Testimony of J. H. Van Meter.)

called at the Postal Inspector's office here in the building about July 1, 1940, and asked to see Mr. Callahan and myself. He came in and said he represented Mrs. Ballard and that he understood an investigation was being made of Mrs. Ballard's activities, and that if we desired any information concerning Mrs. Ballard or her business, in all fairness to her we should talk to her about it; and that she would be glad to talk to us, and if we desired to have an interview with her he could arrange it. That is the way the interview came about. The records were delivered to me and have been in my office all of this time. A stenographer from our office, Morris Dechter, accompanied us to the interview. He took a stenographic report of as much of the interview as he could [5] get of it. He is not a court reporter.

Direct Examination

The records accurately represent most of the conversation had during the conference. When they stopped the machine to put on a new record, they would usually announce that, but there was a certain amount of conversation which was visiting and which wasn't recorded. Everything other than visiting was recorded. (Tr. Vol. 2, p. 89)

Thereupon the phonographic records were played and the following is a summary of the statements contained thereon. The statements hereinafter contained were in response to questions concerning said matters asked by Mr. Callahan:

(Testimony of J. H. Van Meter.)

Mr. Callahan: Mrs. Ballard, you understand that this is an investigation conducted under the authority of the Postmaster General to make inquiries where there are allegations made of misuse of the mails. And, of course, you do understand that this is purely voluntary on your part and not at all compulsory.

Mrs. Ballard: The official name of my business or organization is the Saint Germain Foundation, Inc.

Mr. Ely: "Inc." is not part of the name. The Saint Germain Foundation is a non-profit corporation organized under the laws of the State of Illinois, authorized to do business in the State of California, and perhaps other places. I don't know.

Mrs. Ballard: My residence address is 1620 East 84th Street—Place, Chicago. That is my home. I receive mail under other names than the Saint Germain Foundation. I receive mail under the name, Saint Germain Press, and my own personal mail. I also receive mail under our pen names, Mrs. G. R. King and Mr. G. R. King. I own the business or organization. The date of the incorporation is approximately December 12th or 15th, 1939.

Mr. Ely: That is the date of the incorporation of the Saint Germain Press, Inc. Saint Germain Foundation, Inc., I [6] believe, was incorporated in the spring of 1938.

(Testimony of J. H. Van Meter.)

Mrs. Ballard: I don't have the information concerning the capitalization.

Mr. Ely: As I recall it, it is a non-par value capitalization. In other words, it doesn't——

A Voice: There isn't any——

A Voice: No, this is for the Saint Germain Press, Inc.

Mr. Ely: The Saint Germain Foundation is a membership corporation and has no authorized stock outstanding. I think there are 10,000 shares of no par value stock in Saint Germain Press, Inc.

Mrs. Ballard: The shares of the Saint Germain Press belong to me.

Mr. Ely: Mrs. Ballard owns one-half of the shares outright and was bequeathed the other one-half by Mr. G. W. Ballard.

Mrs. Ballard: Donald Ballard is president. I am secretary and treasurer. Mr. Paul Potter is vice president.

Mr. Donald Ballard: There are two distinct corporations: One is the Saint Germain Press, Inc., which is a profit corporation, and the Saint Germain Foundation, which is a non-profit organization.

Mrs. Ballard: The officers of both organizations are the same. We do not do any advertising in magazines or newspapers or anything of that kind. We have our own magazines and our own books but no general—what is known——

(Testimony of J. H. Van Meter.)

Mr. Donald Ballard: We don't buy space in a conventional advertising channel.

Mr. Callahan: Now, approximately how many letters would you receive daily, that is——

Mrs. Ballard: I have no conception. It varies, [7] depending on whether a class is on or off. I have no way of telling that.

Mr. Callahan: Now, can you tell me this: Approximately the gross receipts per year?

Mrs. Ballard: That is variable—uncertain conditions. I do not know myself. Our auditor who is in Chicago would be the only one that would have that information. I haven't even got a representative figure what it would be last year, as I don't remember. I don't handle any of that. I just turn it over to them because I am busy with the other.

Mr. Armstrong: All that income and disbursement is filed with the Government in the report required through the Internal Revenue Department and is a public record anyway.

Mrs. Ballard: We have a magazine that is published monthly known as "The Voice of the I Am", but we carry no paid arvertising, just announcements of our own books or the magazines. There are six books now and a little pocket edition, really seven. The names are as follows: "Unveiled Mysteries", "The Magic Presence", "The I Am Discourses", "The Ascended Masters Discourses", "I Am Adorations and Affirmations", and "I Am De-

(Testimony of J. H. Van Meter.)

crees"—that is one volume—and "The Ascended Master Light". (Vol. 2, pp. 102, 103.)

Mr. Cannon: If the Court please, with respect to these stipulations, it will be understood that we are not stipulating as to their materiality or as to their admissibility at this time, because we want to make the record later.

The Court: It is so understood.

Thereupon, Mr. J. H. Van Meter was recalled to the stand and the playing of the recordings was continued:

Mr. Callahan: Now, when was the business founded or started——

Mrs. Ballard: You mean the sale of the books or the [8] tours?

Mr. Callahan: Well, the work, that is, the sale of the books or the—it is just a little difficult—I don't know exactly how to put it.

Mrs. Ballard: We don't fit into the general business category. It is out of the ordinary. Our first book came off the press about January 16, 1934, and the sales began from then.

Mr. Armstrong: Prior to that she had been teaching.

Mrs. Ballard: Prior to that the dictations were given and we had held classes publicly in Chicago for about two years.

Mr. Callahan: Now, you say the dictations were received.

(Testimony of J. H. Van Meter.)

Mrs. Ballard: Yes.

Mr. Callahan: Just what do you mean by that?

Mrs. Ballard: The dictation of the instruction contained in the books, which is the subject matter of the law that we teach; the same as a teacher would dictate a problem in arithmetic for the class to copy and go home and work out. The ascended master Saint Germain dictated these to Mr. Ballard in my presence in Chicago. Saint Germain came in a tangible body. You can't say a physical body because it is not, because it doesn't vibrate with the same density or radiation of our physical flesh, but it is a solid tangible body. You can shake hands with it. The ascended master lives in a visible, tangible body of substance that you can shake hands with, but it is far finer and more perfect than our own. (Tr., Vol. 3, p. 116.) It looks like a physical body to your physical eyes. Saint Germain is one of the ascended masters, the same as Jesus. There are other beings in this universe besides the human beings. Man must admit there is something bigger in this universe, something that is greater than mankind, and there are beings in this universe with more intelligence than man and far more perfect than man. We are surrounded by a universe greater than ourselves. It has law and order within it, and there [9] are beings greater than man who direct its greater manifestations. You must admit that mankind, with all their mistakes

(Testimony of J. H. Van Meter.)

and discord and ignorance, are surely not all the beings there are in the universe.

Mr. Callahan: Now, Saint Germain gave these dictations and then you and Mr. Ballard just copied them down, I mean, just as a stenographer would do?

Mrs. Ballard: Just as Mr. Dechter is taking them here. I sat at the table with a pencil and paper and took them down and other ascended beings besides Saint Germain dictated. Jesus himself has been present and dictated several. We have shaken hands with Him. He has held us in His arms. He is real, and I say that before every human being on this earth and all the divine beings of this universe, only because it is true and for no other reason. I bear witness to the reality of these great divine beings, the ascended masters of love, light, and wisdom, who are wholly perfect and have given this instruction to help mankind to become perfect also. I tell you the truth, the whole truth, and nothing but the truth, and because human beings do not know this law or have not understood how to come into the presence of the ascended masters, does not take them out of the universe nor make this law an untruth, nor we, falsifiers. (Tr. Vol. 3, p. 117.) They instructed us to get this instruction in printed form where humanity could have it for their own perusal so each one could apply the law explained and prove the truth of this law for each individual. We have never asked anybody to believe us. We

(Testimony of J. H. Van Meter.)

have said, "Here is the law, apply it, and you yourself will be your own proof of its truth and its practical application to help mankind harmonize, this misery and suffering under which they are now suffering." I do not know how or why we were selected to do this work. It is a matter that only the great law of light—A reason offered was that because of our previous service to humanity many times in [10] former lives, and we have never asked one dime from any human being on this earth. We have never asked for a student list. We have never drawn students from other organizations. We have never intruded on anyone's free will, mentally, emotionally, nor physically. We have given everyone freedom. We have offered only kindness, harmony and perfection, and the only thing we have asked mankind to let go of are the habits of thought and feeling that has made their suffering and limitation.

Mr. Callahan: Now, in connection with the—with your work, just what representations are made, that is, with reference to the—well, for instance, now if I were contemplating attending classes or joining, just what would I expect to receive, that is, just what are the benefits, or just what would accrue to a person by reason of accepting these teachings? That is the point I am trying to get at.

Mrs. Ballard: We have never made any promises. The ascended masters have said, "Here is the law. If you apply it, you may dissolve your discords of

(Testimony of J. H. Van Meter.)
mind, body, and affairs, make yourselves better citizens and true Americans, and enable you to help your fellowmen rise out of misery and destruction also." The ascended master Saint Germain has said many times, "No human being on earth can prove this law wrong and everyone can prove it right if he will apply it and harmonize his feelings." We mean that these people will be happier, healthier, kindlier, and of more use to their country and the world. Jesus said, "What I have done, all men shall do." We have believed Him enough to make the call to life to enable us to do what He did and by applying this law we have begun to do some of the things He did.

You are welcome to copies of the books and magazines. They are in the Congressional Library. They are in the principal large libraries in the country. We have furnished millions of copies in Braille for the blind and we have put them in libraries [11] in foreign countries, and we have reading rooms where people can go and read them totally free, without a cent of charge for anything. You can have an entire set. I have them here for you. I want you to realize that every bit of this instruction is based upon the law of energy, the law of light, energy and vibration, which is each one's own light, because you can do nothing without the use of energy. (Tr. Vol. 3, p. 123.)

Mr. Nash and Judge Donnelly, our attorneys in Washington, D. C., have guided us from the be-

(Testimony of J. H. Van Meter.)

ginning. Judge Donnelly hardly would advise us contrary to that which he believed was the right thing and we have no desire to do anything, but we have consulted with Government officials on every hand to understand what was required and how we could cooperate with them harmoniously.

Now, in regard to the advertising, I wish to state this: We did send until our present classes were closed announcements of our classes, and on the back of that was the list of the books, but that is all. It was more hand to hand, but sometimes it went through the mails, but we never said "Come to these classes."

Mr. Armstrong: That same advertisement is included in the printed volumes?

Mrs. Ballard: At present just the same advertising as is in the back of the books and we have never said to the public, "Now get this book. You must have one." We have never made any promises. We have said, "Accept this or reject it, as you please. It is the truth, but because you do not accept it does not take that truth out of the universe."

Mr. Callahan: In other words, you don't offer these books for sale, you don't advertise them, and you don't promise that they are going to obtain anything by buying the books?

Mrs. Ballard: No, because that would be contrary to our own law, and we have had to obey our own law first at his request. [12]

Mr. Armstrong: Mrs. Ballard, are we to under-

(Testimony of J. H. Van Meter.)

stand that the fundamentals of the instruction in these books and in the lectures are those great truths and laws of light that the ascended masters have used and preserved for the benefit of mankind since the beginning?

Mrs. Ballard: Yes, Judge.

Mr. Armstrong: And that is the reason why the world at large has not known the fullness of what is contained until this particular instruction—the world at large has not known of these activities and these instructions until they were released in these present activities.

Mrs. Ballard: That is true, because if mankind understands today this law as we do, they could not be destructive to each other. It would not be possible. We will do the thing that is harmonious and, therefore, add more harmony and greater blessing in our own individual lives. I want you to know that up until last November our classes have every one been open to the public for almost eight years. We only closed them in Washington, D. C., because of the biggest, unpardonable attacks by individuals who simply had one motive, to blackmail us to get something for nothing, and we issued the cards to keep out all who were not sincere. That is the only reason, and many of Mr. Hoover's men have been in many of our classes. There was also a heckling at the meetings and a great disturbance. That is why we closed them, to keep out just the trouble-makers. We had stink bombs in Boston. We—even a

(Testimony of J. H. Van Meter.)

long time after that we left them open, but when the viciousness got in we had to have police officers and make the classes closed just the same as a university or any other school.

I want the whole world to know this is not a cult. It is not a religion. It is not a philosophy. It is not a human opinion or theory, and it is not a racket. This is simply [13] the law of each individual's own life which we give free and have asked nothing in return but the individual's obedience to the law of his own existence, that he may be free. We have never asked obedience to us nor anything for ourselves personally. This is an educational, patriotic activity, because we are determined to protect the lives of our people with everything we know how to use.

May I say something else about the financial end?

We do not reserve anything financially for ourselves. We have no private income investments for money-making enterprises. Everything that comes into this work goes back into the expansion of it to serve the public and the United States of America, and we live for that one purpose alone. We have healed thousands and thousands and thousands of people and never had one dime in return. Mr. Ballard healed 20,000 people in eight years, and we have thousands of letters bearing witness to that, and people don't write in and say they are healed unless they are. But we have never asked a human being to ever write a letter or testimonial to anything we have ever done.

(Testimony of J. H. Van Meter.)

These people were suffering from various uncurable diseases that the doctors had given up completely. We have taken the dregs that the doctors were through with and the doctors themselves have admitted that it was something beyond their own power. There has to be a power in life bigger than mankind's destruction. I am not so conceited as to think there isn't a power in this universe that is greater than me, and if I keep my right attitude toward it it will give me of its blessings, and if I return those to mankind, they will give me of its blessing. (Tr. Vol. 3, p. 129.)

I am not so conceited as to think there is not a power in this universe greater than myself. If I give it my love and blessings, it will return greater blessings to me, and when I call [14] for those blessings to go to all mankind, then my work is filled with blessings also, and I stand, myself, as a living proof of the truth of this law, and I am sure at least one million students will stand and bear witness to this truth also of their own free will, without my asking them.

I do not know how many students we have at the present time. We have around three million, around in last December, approximately that. About one million of those are trained. Many of those are radio listeners, but we have a student body that is sincere and has been applying the law in each one's own locality for, I should think, around a million trained students throughout the world. We have

(Testimony of J. H. Van Meter.)

some very lovely groups in Scotland, in England. We have them in France, in Germany, Australia, in India, and also we have some in China and Africa, and we have them in Alaska, and we have them in Canada. (Tr. Vol. 3, p. 130.)

I couldn't tell you just now how many groups we have. We can't keep much track of the foreign study groups at this time. There are about a thousand domestic groups. They vary in size all the way from three people to a Shrine class.

Concerning the income, every bit of the money that comes in is voluntary. We have never mentioned it from the platform. Whatever money comes in through either the mails or in the classes is given of their own free will because they are grateful for the proof of the good they have had in their own minds and bodies and affairs.

The sale of books is voluntary. We never say, "You should buy a book and get so-and-so." You don't even have to buy the books. They are in every library, and we provide our own reading rooms. An individual that wants to understand this law does not even need to buy the books. They can read them in the library, and we provide reading rooms where they may go and read in nice, quiet, clean surroundings and not cost them a cent. [15] That is why I enjoy this investigation, and may I thank you for it, because I want this to be set right to the world. We have been called everything in the list, and there is not a word of truth in the viciousness

(Testimony of J. H. Van Meter.)

directed to this activity. I have taken air checks of the vitriolic broadcasts against this work, and I am ready to put those in anybody's records if those vicious individuals any longer interfere with this blessing to mankind for the protection of America.

Mr. Donald Ballard: One of the greatest sources of individual's activities that have tried to break up and destroy this work are the Communists and Nazi German and other un-American activities, because this activity is 100 per cent American patriotic, and those Communists and Nazi both hate this activity beyond all bounds of reason because it is a 100 per cent American and we will not tolerate anyone in our classes who does not willingly swear his allegiance to the United States of America, and even those in foreign study groups, while they are not required to take the pledge, are required to have the love and respect toward the United States of America because we feel that in America today is the only hope of sanity for the whole world.

Mrs. Ballard: We have school activities. One school is at the present time here in Los Angeles, down on Wilshire.

Now, may I say something about the books.

We donate the books to the libraries so the public can have them without any cost. We have sent them to prisons and other penal institutions to help harmonize the personal efforts of those held within them.

Mr. Callahan: Mrs. Ballard, now what do you mean by "decrees"?

(Testimony of J. H. Van Meter.)

Mrs. Ballard: The Bible says, "Thou shalt decree a thing and it shall be established unto thee." In other words, we use the great creative word of life, "I Am." We, as life, [16] acknowledge life's call for a certain manifestation by the use of our own energy. When we have issued decrees to annihilate and blast viciousness, that has never been applied to human bodies. We have called at all times to the light of the individual, which is his own mighty I Am presence, to annihilate the vicious and destructive desires, impulses, and plans within that individual, and also within ourselves, and we so state this in our I Am decree book and have since its first publication. We have never used a destructive force. The ascended masters do not use a destructive force, and the I Am presence never uses a destructive force, and that is more than those can say who are accusing us of anything that is wrong. There have been certain individuals dismissed from our staff who have left no stone unturned to be vicious to this work, simply because they did not care to discipline themselves to the point where they could be rid of their own vicious impulses, but with that, we are not concerned. We go on setting mankind free and blazing the light, perfection and blessings and protection which we wish to bring to every human being on this earth, and to protect the United States of America from every destructive activity at all costs. (Tr. Vol. 3, p. 139.)

We have used the radio for almost four years. Our script is all in the hands of the Federal Com-

(Testimony of J. H. Van Meter.)

munications Commission or the stations themselves, and we have never once been reprimanded by the Commission nor one complaint from the radio station. We are on about 25 stations throughout the country. Locally we are on KFWB night and morning. My night broadcasts are in person when we are not in session or in class or I am not out of town, and then when I am away, then we use transcriptions. The night broadcasts are in person except when I am out of town or we have a class in session.

Mr. Van Meter: Mrs. Ballard, who is the author of these books, that is, are they all authored by the late Mr. Ballard? [17]

Mrs. Ballard: They are not his works. They are dictations by these ascended masters. Please get that straight.

Mr. Van Meter: Who wrote them in their present form?

Mrs. Ballard: I took them down at Saint Germain's dictation and I punctuated them and proof read them and put them in printed form.

Mr. Armstrong: Did they go out under the general name of Mr. Ballard?

Mrs. Ballard: They go out under the pen name—well, some of them do, but we have the I Am Discourses under Saint Germain's name. The Ascended Master Discourses are dictations by various ascended masters, and so is the Ascended Master Light. The first two books, "Unveiled Mysteries" and "The

Magic Presence," are records of Mr. Ballard's own personal experiences with Saint Germain, and some of the other ascended masters.

Mr. Van Meter: You mean when you speak of dictations—just what do you mean? Just as though I were talking to you now?

Mrs. Ballard: Exactly.

Mr. Ely: I think an analogous situation is this: Today certain other people believe—I think an analogy is here: Certain people believe that the old testament and the new testament were dictated by the Holly Ghost to the particular writers and divinely inspired. Now, I say that is an analogy. Am I correct in that, Mrs. Ballard?

Mrs. Ballard: Yes, Mr. Ely, you are quite correct. Mankind has had divine beings who were their instructors since people first came to this earth, and we are still under the great infinite scheme of instruction that we have always been, and some of us have gone to school a little more attentively than others, that is all.

Mr. Ely: I may say that from a legal point of view, [18] the group known as Jehovah's Witnesses believe that very thing, and their right to distribute pamphlets was this spring upheld by the Supreme Court of the United States, regardless of any law that might be written by any person.

Mr. Van Meter: Now, these dictations are received and then they must be corrected. Is that right?

Mrs. Ballard: No, they are never corrected. We

(Testimony of J. H. Van Meter.)

do not presume to correct them. I said I punctuated them so they would be—and proof read them——

Mr. Donald Ballard: If I might add this, that they have to be punctuated and proof read because there isn't a stenographer in the world that doesn't make mistakes in transcribing things, and any printed subject has to be proof read. There isn't any book in the world that goes out that isn't. (Tr. Vol. 3, p. 144.)

Mrs. Ballard: Concerning the profits made from these books, everything above our expenses goes back into the expansion of the work to bless the people. And from the patriotic standpoint we have taken many people out of the classes because they would not stand and salute the flag or pledge allegiance to it or say the American's Creed. We have dismissed known Na*siz*, Communists, and downright vicious individuals.

May I say this about the finances?

We have a very fine first-class set of auditors in Chicago and have had them on our books from the beginning, and they have signed our federal income tax report with us, which should surely speak for itself. You know that is not ordinary. They are certified public accountants. They have been our accountants ever since we began paying income tax. The first year we didn't make money enough off of anything to pay an income tax.

Mr. Donald Ballard: The first year's business was [19] practically absorbed by initial cost.

(Testimony of J. H. Van Meter.)

Mrs. Ballard: We started without a dime, and we have given and given and given, and naturally—and the people are grateful for good, and they have given back to us in return, which we love and bless and amplify and return it to America again, and so shall we go on and on until all mankind understands that if they would use the energy with which they condemn other people, they could create in their own worlds the very thing that they want and condemn in others.

The Saint Germain Foundation has been exempted from taxes by the Federal Government, the Internal Revenue Department's own rules, because of our purpose.

We have presented everything and given everybody all the opportunity they wanted for eight years to examine everything. We have hidden nothing. We have nothing to hide. We can't be bought, we can't be sold, we can't be scared, we can't be flattered into serving an ideal which is less than the perfection of the ascended master.

There is a reference in some one of the books to some experiences that Mr. Ballard had at Mount Shasta and they are real. I was not with him at the time. I was in Chicago. That was not the first contact had with Saint Germain. We had known Saint Germain before, but it was his first contact in the tangible body in this embodiment. Mr. Ballard was at Mount Shasta on some work of his own and he was looking over certain conditions in America.

(Testimony of J. H. Van Meter.)

His uncle was head of the mines in Arizona, the silver mine in Arizona. He was manager for his uncle's mine there, and when he got the time he wanted to go up in the Shasta district and see what the activity was there in which his uncle had been interested. I do not know much about his uncle's past, because I never met him. He has passed on.

Mr. Ballard and myself were appointed to spread the [20] teaching of Saint Germain and Donald later after he got out of school. Mr. Ballard healed thousands of people. That power passed on to me. I can show you any number of telegrams. I can show you the telegrams that come in and ask for help and their replies saying they received their help within 24 hours. That is not me. Please understand that. That is the great healing power of life. It is the same power that heals through a physician's hands.

Mr. Donald Ballard: There is nothing psychic or spiritualistic about this work in any way, shape or form.

Mrs. Ballard: And never will be. Our calls are life calling to the greater intelligence and power of life to release greater blessings and harmony and perfection of life to all other parts of life in the authority of the great creative work of life, "I Am," which every individual has to use to identify himself to his fellowman, because you cannot explain to others what your individual activities are unless you use the words "I," "I Am," or "My."

(Testimony of J. H. Van Meter.)

either in thought, feeling, spoken or written word.

"I Am" is the activity of life, and whatever follows the acknowledgment of that release of the energy of life qualifies that energy as it passes through the individual who makes that sound or tone into the atmospheric body. That is the activity that does the healing, not me personally, and we have to have the cooperation with the individual's own free will, of his own life strain in order to make that healing immediate and permanent.

Mr. Van Meter: This Saint Germain, Mrs. Ballard, does anyone else have the authority or the right to use that in spreading the teachings of this work——

Mrs. Ballard: Use what?

Mr. Van Meter: The name of Saint Germain.

Mrs. Ballard: No, he has not given it. He said we, he [21] and Jesus and other ascended masters, several of them, have said we would remain their directly appointed messenger until they come forth in the visible, tangible body. And they are coming. Just as well get used to that idea. They have to be called. That is what this education is for, because they have aid to us, "Get the people to using this law and calling for the protection of the United States of America against all war, because if war comes into the United States of America, there will not be enough people left on this earth except to make one small city."

We feel we have the right to use every power of

(Testimony of J. H. Van Meter.)

life in this universe that is constructive to protect the lives of 130 million people and to protect the divine justice, freedom and perfection which the United States of America represents to mankind, to uphold sanity in the human race until the ascended masters come forth.

The great law of the universe never yet allowed destructive forces to destroy an entire humanity any more than the sun reverses in its orbit.

This law is real. We tell the truth, and because other individuals do not understand this law does not take it out of the universe nor make our words of truth untrue. We use the constructive activity in the Bible, but certainly not the destructive ones. We use nothing that is destructive from any channel, but we bless and acknowledge all that is true in every channel and we seek to help everyone understand this radiation to consume all discord towards our fellowman. (Tr. Vol. 3, p. 153.)

The violet flame consumes all bacteria. In consuming bacteria, you can take fruit juices and squeeze them in an ordinary atmosphere and they will get a record of bacteria, but you can take the same fruit juices and squeeze them under the violet ray and you kill all bacteria. You can take perfectly clean [22] fruit or milk that has no bacteria at all and inject bacteria in it and put it under that violet ray and it takes it out and kills it, and that is just physical and right here under your noses and anybody can go out and get all the evidence you want.

May I say something from a patriotic standpoint?

(Testimony of J. H. Van Meter.)

This great loved one known as Saint Germain, which the Masonic Order knows very well and acknowledges, designed and gave to the United States of America the Constitution. He has protected it in its original form. I mean, he gave it in its original form and has been its protection up to date. He assisted Washington and Lincoln. He has brought this work forth in the United States of America and is to still hold protection for it in its original intent to give mankind freedom and divine justice.

When we decree for divine justice, we asked always for employer, employee, the people and the Government. Surely that is fair play.

Certain colors are taboo, because certain vibratory frequencies are destructive and certain ones are constructive of the physical body. Every color has a certain frequency of vibration. You can place anything in complete darkness and life withdraws from the form, whether it be animal, plant or human. Red and black are highly destructive. We do not use animal food. Not because of any sentiment but because all animals know anywhere from 24 to 48 hours before they are going to be killed they are to be killed. They feel it. That charges the flesh, their meat—the flesh, I would rather put it that way—with a rate of vibration of fear.

The human being that puts that substance into the body has to handle that rate of vibration, and that is what has created a great deal of cancer in the last 75 years in the United States of America.

(Testimony of J. H. Van Meter.)

because wherever the meat eating is increased, [23] you always have an increase of cancer, increase of insanity, and increase of immorality. You take animals and feed them raw meat to make them vicious. Take them off of a meat diet and they become docile and harmonious. The law is self-explanatory and self-proven.

We do not use tobacco nor liquor, alcoholic beverages, because they dry up secretions in the brain and that prevents the clear, intelligent direction from each one's source of life of the mighty I Am presence from being clear in the intellect and allowing real intelligence and discrimination and the constructive impulses to hold control of the energy of the body. (Tr. Vol. 3, p. 158.)

Saint Germain is in a form that you can shake hands with him. You could shake hands with him just as you could with me if you have earned the right to stand in his presence. One who is not an I Am student could see him, but it is not the average condition because few of us have earned the right to stand in the presence of those great beings, but where it is necessary for some unusual protection to be given to you, or some service to America for her protection, he could become visible and tangible to any human being on this earth, and you could shake hands with him as you do with us.

The only difference between our being able to see with the physical sight the ordinary human being, body, and that body of the Ascended Master, is be-

(Testimony of J. H. Van Meter.)

cause the average person's eyes do not record rates of vibration beyond certain frequencies, but even solid substances can be made invisible to your physical sight by raising its vibratory action. When an aeroplane propeller spins slowly you see its form, but you can spin it so rapidly that it becomes wholly invisible, but it is tangible and it is a solid substance. If you don't believe it, get in the way of it. [24]

Mr. Ely: Mr. Stickel, you are a messenger are you?

Mr. Stickel: Yes, an appointed messenger through the Ballards, of the Master Saint Germain.

Mr. Ely: Mrs. Mundy is a member of the staff and also a personal secretary for Mrs. Ballard.

Mr. Corporan: I am one of the leaders of the Minute Men of Saint Germain. There are two—also a group leader in this activity.

Mr. Calahan: Who is the other leader?

Mr. Corporon: Mr. Fred Dobbins. It is an organization of the male students getting together for special activity. It is wholly patriotic, for the benefit of arousing the men of America to protect America and become better citizens. They do not bear arms, march up and down, or wear a uniform.

Judge Armstrong: I am one of the oldest students, and have charge of the work in Oklahoma City and vicinity under the direction of the messengers and Mrs. Ballard.

Mrs. Ballard: May I say this, concerning the healing: through this application of the law, I have

(Testimony of J. H. Van Meter.)

been able to call into action to render these healings, and so can every student, every human being on earth can be taught how to make the same call so they too can release that healing power to assist themselves and their fellow human beings.

Mr. Callahan: Mrs. Ballard, just for my own information, you mean if you were sick you could just make this call and rid yourself of the trouble?

Mrs. Ballard: Yes, because mankind does not understand that a great deal of disease or so-called illness is but a focus of fear, and that is feeling; and when I can make the call to the Power of Light to sweep through the body and sweep out his fear, the body, by a natural process, readjusts itself in pursuance to the individual will. I don't say we are a million per cent perfect. [25] I don't claim that. We have never said that. If I have a headache or something like that, I sit very quietly and call on the Mighty I Am Presence to blaze the Light through my body.

I can do it for any human being on the face of the earth thousands of times. I can sit quietly and turn my attention to my Mighty I Am Presence. They can do it for themselves. I can sit quietly and turn my attention to my Mighty I Am Presence and ask it to pour its light through my body, and that violet-flame, and consume all my discordant feelings. That simply relaxes the nervous system to the point where the headache is gone. It doesn't make any difference whether it is indigestion or

headache or what. Every disease is dis-ease in the feeling, discord in the feeling. If you get the feeling still enough the discord goes. Any medical doctor can tell you that.

Mr. Donald Ballard: We have proven through our experiences and we have proven this as it is stated in the instruction of the Ascended Master Saint Germain that the human body sends out electrical impulses in the process of directing the processes of thought and feeling that are in a considerably higher frequency, but they are much akin to that which comes from an X-ray tube or radio transmitter, and that that rate of vibration sent has just as definite a fact in physical substance as does the X-ray. Now, you know that neither you nor I nor anyone else ever saw an X-ray or ever felt an X-ray, but the X-ray will burn the structure of the physical body just as surely as an open flame will. Well, all humanity through the centuries has failed to realize that discordant and destructive thought and feeling will destroy the tissue of a human body just as surely as the X-ray will. (Tr. Vol. 3, p. 172.)

However, the same law can be applied in that constructive thought and feeling will have actually set in motion [26] electrical impulses which control the structure of physical substance in a beneficial manner to the human body; and I might also say at this point that the Mighty I Am Presence, as we refer to it, is the individualized portion of the Supreme Intelligence of the Universe, call it God,

(Testimony of J. H. Van Meter.)

if you will, that breathes the truth of life into every human body, and it is that life which disconnects from a physical body a so-called death and which every scientist in the world has failed to fully understand or explain. It is the part of you that thinks thoughts and feels feelings. It is your intelligence, or, rather, I should say that the intelligence acting in the physical body is a part of that life which perhaps will make a little more clear our stand that by the use of Decrees, which simply set certain rates of vibration into action, that [illegible] control certain actions in physical substance, which is the reason we call this activity of the Law of life itself instead of a religion or any such similar name, and that is why it should be divorced wholly from anything that humanity has thought of in the past as the supernatural, but it is merely an application of the very Laws that the scientific world is beginning to discover today, carried out to their fullest possibility of application as the scientific world will inevitably do in a few years to come, because already at—I believe it is—Cal Tech they are starting to be able to measure the electrical impulses set up in the processes of thought and feeling, and some day they will prove everything that we have set forth as the Law of Life. I trust that will give you a little more concrete understanding of just the principle from which we work.

The foregoing concluded the playing of the records and the witness, Mr. Van Meter, was thereupon cross-examined by Mr. Cannon as follows:

(Testimony of J. H. Van Meter.)

Cross Examination

The Witness: When the statement was made at the [27] conference that there were thousands of letters unsolicited from people who had been healed or benefit by reasons of this activity, I did not ask to see them. All that was said concerning their availability is on the record there. The reason I didn't ask for such records or telegrams is that it is not customary in our investigations to ask for such information. I have never asked for any testimonials. I did not check up on the report made by the California Bureau of Investigation of the Minute Men organization mentioned by Mr. Corporan. That is all that I recall that they mentioned that we could have checked up on. We knew Nash and Donnelly were their attorneys. (Tr. Vol. 3; p. 183.)

I attempted to check up to see if Mr. Ballard was at Mount Shasta on the date referred to in the "Unveiled Mysteries." I did this after July 15th. I went to Mount Shasta and interviewed several people in the town. I did not make any investigation of the statements made by Mrs. Ballard between July 15, 1940 and July 24, 1940. I know that the indictment was returned on the 24th of July. The investigation was continued from July 15 right on to July 24. I can't say whether we did or didn't check up on the things which they told us in the interview of July 15, 1940 prior to my appearance before the Grand Jury. I wouldn't say that my in-

(Testimony of J. H. Van Meter.)

vestigation was complete as far as the indictment was concerned before we went to the Biltmore Hotel. [28]

HARRY F. SIEBER

was called as a witness in behalf of the Government and testified as follows:

I reside at Ardmore, Pennsylvania. In 1934, I lived in the country between Lansdale and North Wales, Pennsylvania. I met Mr. and Mrs. Ballard and Donald Ballard personally in July of 1934 at their home in Chicago. I had had communications with Mr. Ballard prior to that time, which I received at my home between Lansdale and North Wales, Pennsylvania. My attention had been called to, and I had read, the book "Unveiled Mysteries" prior to the time that I met the Ballards. I corresponded with them after reading the book. I wrote to them at Chicago and ultimately became a manager or one who handles some of the first meetings conducted by the Ballards.

Prior to the time I read the book, I had worked as a trained accountant. When I met them in July 1934, I had conversations with Mr. and Mrs. Ballard in Chicago and at that time spent ten days in their home with nine other people, attending the first ten-day class. The subject of the classes was the Saint Germain Discourses. The book, "Unveiled Mysteries," had been published at that time.

(Testimony of Harry F. Sieber.)

After that, I returned home and stayed there for a while and started a correspondence with the Ballards. I wrote letters to them but did not retain copies as they were all in longhand. I received correspondence from one or the other of the Ballards after my visit of July 1934. It came from Chicago until October when they came East, then it came from wherever they were. I was living in Lansdale. The letter dated September 6, 1934 (later introduced as Government's Exhibit 68) bore the date November 6, 1934. I received the letter in September and it was evidently misdated and I changed it to correct the date.

The signature on the letter was stipulated to as the signature of Mr. Ballard. I received Government's Exhibit 68 through the United States Mail.

[29]

Exception No. 4.

Mr. Neukom: I would like to offer this (Government's Exhibit 68) in evidence, your Honor.

Mr. Carmon: If the Court please, at this time we object on the ground that no foundation has been laid, not by way of the signature, but on the question going to the materiality and the substance of the charge here, Mr. Ballard not being a defendant on trial, the matter having been written by him and, unless and until the Government has first established, by competent evidence, the existence of a conspiracy, or offered substantial evidence in the

(Testimony of Harry F. Sieber.)

form in which the jury could find a conspiracy existing, the writing of any such letter by a person not on trial cannot be allowed in evidence against any of the defendants.

Particularly is that so where you have a letter of this character and kind and some of the others of which we have knowledge which will be offered through this witness, where they are using the letters, or the evidence itself, as a basis for establishing conspiracy.

That is the point they are using it for. They are not attempting to use this letter as a declaration against some of these other defendants, but they are using the letter itself for the purpose of putting the subject before this jury or before the Court upon which the jury might declare that there is a conspiracy existing and therefore make the declarations admissible.

The Witness: I was ultimately engaged as business manager by the Ballards in October, November, December and half of January 1934 and 1935. I had conferences during that period upon many occasions with Mr. and Mrs. Ballard.

Thereupon, the objection last above noted was ruled upon by the Court.

The Court: I think we have sufficient testimony here in the record, Mr. Cannon, where Mrs. Ballard testified, when [30] she was asked the question, "I am trying to get at this the best way I can," asked by Mr. Callahan, "It is a little unusual. Just who

(Testimony of Harry F. Sieber.)

gave the dictations?" and Mrs. Ballard answered, "The ascended master Saint Germain dictated these to Mr. Ballard in my presence in Chicago."

I will overrule the objection. Exception.

GOVERNMENT'S EXHIBIT 68

was thereupon admitted in evidence. Said exhibit reads as follows:

"Chicago, Ill.
"Sept. 6, 1934

"Mr. Harry Sieber
"Beloved Precious Brother:

"I am sitting here in the living looking at your Blessed Angel Deva as I write. This is the first evening we have had a chance to visit alone, Mrs. Ballard, your love and I, since the arrival of the class here.

"We are working so earnestly that the Mighty 'I AM' Presence open the way and bring in the abundant supply of money to put out at least a Two Thousand edition of the 'Magic Presence' and give you complete charge of the distribution of all the books. It must and does come about now.

"* * *

"GUY W. BALLARD AND FAMILY."

[31]

The Witness: I received the letter dated September 16, 1934, addressed to me, through the mail.

(Testimony of Harry F. Sieber.)

I had been corresponding with the Ballards at that time.

Exception No. 5.

We offer in evidence this three-page letter (Government's Exhibit 69) as Government's exhibit next in order.

Mr. Cannon: To which we object on the grounds heretofore stated as to the admissibility of the last document—and I want to include also in this objection that it is immaterial and has no bearing upon the issue in the case, and no proper foundation has been laid other than the signature as to its introduction.

The Court: I will overrule the objection and give an exception to counsel.

Thereupon the document was introduced as

GOVERNMENT'S EXHIBIT 69.

Said exhibit reads as follows:

"1620 East 84th Place
"Chicago, Ill.
"September 16, 1934

"Mr. and Mrs. Harry F. Sieber
"P.O. Box 246
"Lansdale, Pa.

"To our Very Beloved Friends, the Siebers,
"Beloved Children of the 'Light':

"Your letter, so wonderful, is at hand and we were on the ray last night concerning it. Saint Germain dictated the following in answer to it:

(Testimony of Harry F. Sieber.)

"'My dear Mr. and Mrs. Sieber and family:'

* * * * * *

"'I like the idea of the class waork very much and I would suggest confining it to about fifty people unless there were places where it is possible to have more and the larger groups could be harmonized. [32]

'You would always be free to let the individuals know that love gifts could be accepted but that the messengers themselves may not even suggest it. It would be perfectly right for each group to understand that they were to take care of the expense of the Messengers, and I would further suggest that the harp be used before each class.

'Both yourselves and these good Messengers, being entirely unselfish, I am sure you will be able to arrange the financial division entirely satisfactorily.'

* * * * * *

'Not yet being a Messenger, as these two are, it is entirely within your province to offer suggestions which these Messengers may not do. So it seems to me you could cooperate in a wonderful manner that would bless you all in every way, and it gives me great joy to see your love and willingness to cooperate in this service.'

* * * * * *

SAINT GERMAIN".

(Testimony of Harry E. Sieber.)

'It would seem from what he says here that what he had hoped to accomplish is not now in the picture. If you feel that you should work for the distribution of the books, you should certainly have the same discount that we give to dealers which is 30 per cent and so far as the love gifts are concerned, we could split fifty. Does that seem fair to you? Your family must be taken care of and at present this is a way by which we could get the knowledge of the 'I Am' before as many people as possible in the shortest time and that is important for America now.

'We are still working to bring forth the money for publishing 'The Magic Presence' and the next [33] edition of 'Unveiled Mysteries.' It will come from the right channel which the 'I Am Presence' knows.

'We began a 10 days class in Racine today and Saint Germain thinks it might be well to try out two classes in October and two in November in the East, if you care to arrange them. He thinks it best to return to Chicago for the first five or six days of each month to do the work with the large class here which is concerned with the national activity of blessing our country. At least this is his desire until after the holidays. In bringing the harp for the class work there will be no extra expense as we can check it on two tickets.

(Testimony of Harry F. Sieber.)

'If this meets with your approval and seems practical to you we shall not arrange any further classes in Chicago until later. Please let us know how you feel about these suggestions and know that Saint Germain and we thank you sincerely for your wonderful love and spirit of cooperation. We want to do all in our power to work as efficiently and joyously as possible for the mutual good of all concerned.

'We enfold you and your blessed family in our deepest love and blessings and all the good the "MIGHTY I AM PRESENCE" holds and we know only that "MIGHTY LIGHT" does everything through us all to manifest the Fulness of Its Perfection and Plan.

'Lovingly in the Presence and Service of the Might I am,

G. W. BALLARD

* * * * * *"

[34]

The Witness: I saw Mrs. Ballard write her signature occasionally during the latter part of 1934. The signature on the letter dated September 27, 1934 (Government's Exhibit 70) looks like Mrs. Ballard's. I received the letter through the mail. The notation, "Ans. 9/29/34", means I answered it on the 29th.

(Testimony of Harry F. Sieber.)

Exception No. 6.

Mr. Neukom: I offer in evidence the two-page letter of September 27, 1934 (Government's Exhibit 70).

Mr. Cannon: We have the same objection as to the last exhibit.

The Court: Overruled. (Exception.)

Thereupon the document was received in evidence as

GOVERNMENT'S EXHIBIT 70.

Said document reads as follows:

"1620 East 84th Place
Chicago, Ill.
September 27, 1934

"To Our Blessed Ones of the 'Light', the Siebers:

"Your letter of the 19th received and we have been busy day and night with a class in Racine where there was much healing to do and very little time to sleep otherwise we would have answered immediately if not sooner.

"His Blessedness—Saint Germain—has left us free to do certain things in regard to the business but he is head of it, as we no longer possess anything so far as our personalities are concerned. We are however, his acting agents and, as he has given his consent to have the whole activity put out under the name of the Saint Germain Press, we feel doubly anxious that everything about the w'ole sales part of it

(Testimony of Harry F. Sieber.)

be as perfect and like the Ascended Masters' way of life as we can make it under the world con- [35] ditions with which we have to work at the time.

"Now is reagrd to the questions you ask; What you say in regard to the larger percentage on the next edition of 'UNVEILED MYSTERIES' is what we have been trying to bring about, and it should be possible for the printing cost is much less. This is what we are working for and I am sure will come about for the dealers should have a discount and you also.

"In regard to the way in which you wish to handle them: The Saint Germain Press is not incorporated. We feel your wokr there should be carried on under the same name as we operate here, and there is to be considerable concerning foreign rights as well. They should all be under His Name.

"It seems imp rative to keep the activity that has started here continuing, and if you can relieve us of all details of the distributing through your channel, it would help us and simplify matters for us all. We could ship you the books direct and you could remit to us once a month whatever was our share.

"Receipts should be budgeted for both further editions of both books and future publications as there are many more books which he wishes to put on the market through this ac-

(Testimony of Harry F. Sieber.)

tivity. You should have access to the letters and comments and our files here are full of them and you are welcome to know all that has occurred. There are many things we wish to work out with you when we can see you for we wish to form a plan of operating which is the perfect permanent activity for all that is to follow. We have one of our students here who is thoroughly competent and is [36] an acting attorney, practicing here. He is a man of very great honor and integrity and we know you will love him as we do for he is truly one of God's own Sons. In regard to the classes: You are right. Exprenses should be taken out for all connected and the balance divided fifty fifty.

* * * * * * *

"Our idea in reagrd to each class is that we hold them for only ten days but read two discourses each day. This gives them a chance to receive twenty discourses and if they are read directly through, the questions can come at the end. The afternoon classes could begin at one and finish at four o'clock and the evening at whatever time would accommodate those who hold positions. * * *

"THE BALLARDS" [37]

The Witness: After receiving Government's Exhibit 68 wherein Mr. Ballard states we could split fifty-fifty, I had written saying that there were two

(Testimony of Harry F. Sieber.)

of them traveling and only one of me and the expenses should be taken out first and what was left divided fifty-fifty. Then I received the letter dated September 27, 1934 where they stated that I was right with regard to the expenses.

I received the letter dated September 30, 1934 (Government's Exhibit 71) through the United States mail. Thereupon

GOVERNMENT'S EXHIBIT 71

was offered and received in evidence. Said exhibit, signed "The Ballards", reads in part as follows:

"* * * In regard to the enclosed application blank, we are making the suggested changes and think it a good idea and basis to work on. As to where classes are to be held, you are the best judge of that and we are ready to do whatever is the most efficient way to co-operate and move the activity as rapidly and powerfully as is the part of wisdom to make it permanent.

"We are knowing the 'Might I Am Presence' guides you unerringly in everything and opens the way before you by the power of Divine Love and the Ascended Master Friends are raised up everywhere to give you all possible assistance. This is an Invincible, All-powerful 'Presence' that moves before you with a scepter of dominion that clears the way and is the 'LIGHT OF GOD THAT NEVER FAILS'.

(Testimony of Harry E. Sieber.)

"Go forward in the *Full Presence and Power of the Mighty I Am and the Ascended Masters and showers of blessings and victories supreme* shall pour out to you in the service of the 'Light.'

The lists and letters you ask for we shall get together and perhaps you can come back to Chicago [38] with us in November and we can go over all these things together. We want to give you all the help we can.

There are so many asking for the teaching in the letters we have received about 'Unveiled Mysteries' from all parts of the country that you should know who and where they are that they may have the opportunity of receiving the instruction. * * *"

The Ballards first came to Philadelphia in October, 1934. Prior to that time, I had had correspondence with them endeavoring to engage a hall and arrange for meetings. I wrote to them. Mr. and Mrs. Ballard came to Philadelphia on approximately the 8th of October and conducted a class at St. James Hotel, 13th and Walnut Streets. They had a lecture room, the rental of which I had arranged prior to that time. The class was conducted ten days. I took no active part in any of the lectures. I was chiefly the business manager. I made all the business arrangements. When they first came to Philadelphia I had no conferences with Mrs. Bal-

(Testimony of Harry F. Sieber.)

lard by herself. My conferences were always with Mr. and Mrs. Ballard at any time. I would discuss with them with respect to where future meetings were to be held after the Philadelphia class terminated. Rather than explain where the meetings would be next held, I asked their wishes in that matter—where they wanted to go. They stated the next place was New York.

Exception No. 7.

Thereupon, with the permission of the Court, counsel made the following objection to Exhibit 71 as if it had been made when the exhibit was offered.

Mr. Cannon: If the Court please, just for the sake of the record—I failed to do it when the letter was received in evidence—may it appear for the purpose of my motion that I [39] object to the last exhibit that was received in evidence? I overlooked it. I object on the ground of its materiality and competency, but not so far as the signature itself is concerned.

The Court: It is understood the objection is made when the objection—when the exhibit was offered.

Mr. Cannon: And exception allowed?

The Court: Exception allowed.

The Witness: The next class was held in New York for ten days. Mr. and Mrs. Ballard appeared as teachers and lecturers. The next class was held in Boston, then in Philadelphia, and they were all approximately ten days in duration. The classes

(Testimony of Harry F. Sieber.)

started with about 30 in the afternoon and about 100 in the evening. Then they increased as the lectures and lessons progressed. I was present at approximately all the meetings that I have mentioned. After the return class at Philadelphia, the next class was in New York. Two classes were held there and from there we went to Washington, D. C., about January 3 to 13, 1935. At Washington, on January 13, 1935, I was struck by an automobile and rendered unconscious and was hospitalized. (Tr. Vol. 3, p. 227.)

Saint Germain was frequently mentioned during the classes by both Mr. and Mrs. Ballard. The lectures, in a general way, dealt with the I Am subject matter.

Government's Exhibit 72 was not received in the mail but was handed to me.

Exception No. 8

Whereupon, said exhibit was offered in evidence.

Mr. Cannon: We object to it, if the Court please. We do not object to the foundation, but we do object to the materiality of it, on the ground that it has no bearing on the issues in this case. And we also add the objection that I made heretofore, that at this stage of the proceedings it is not binding upon the other defendants. [40]

The Court: Overruled, and an exception allowed the defense.

(Testimony of Harry E. Sieber.)

Thereupon said letter was received in evidence as

GOVERNMENT'S EXHIBIT 72

Said letter is dated October 26, 1934; and is addressed to Harry F. Sieber, and reads as follows:

"I will ever expand harmoniously through the Mighty Radiance of the Ascended Masters. I would suggest, taking it from our start in Philadelphia, that you reach to the following centers of focus: New York, Boston, Toledo, Cleveland, Florida, Texas, Los Angeles, Seattle, Minneapolis, Washington, D. C., whenever it is convenient to fit it in.

"Do not repeat except in Philadelphia until after you have reached these points. * * *

"I do think it is important for you to change the location of your home as soon as convenient where you can have a place free from vermin and where you can maintain an even heat. I feel sure you will find the health of your family uninterrupted.

"If you can have a place where you have an extra room for the Messengers whenever they are in reach of your home, I think it will be quite sufficient for the present and I am sure the Messengers will assist with the rent until you have ample within your own hands to govern as you wish.

"Regarding the activity of the books, I think your Home and Philadelphia should be the east-

(Testimony of Harry F. Sieber.)

ern point of distribution and the one maintained in Chicago also. In the books that are to follow, I would suggest that you circularize all the people of the classes that you will have reached and put your stamp upon all the announcements that you send [41] out and keep a record as near as you can of those who have bought books through your instrumentality. This will work into a clearness of activity in which I feel sure you will not be deprived of any percentage due you and as these beloved Messengers have no selfishness within them, I am sure you will have no dissatisfaction in coming to a happy regulation of it.

"I think it wiser to have all printing of the books done at Donnelley's in Chicago, you to keep an abundant supply of books on hand at all times.

"It is the wish of Arcturus that a focus for the activity of the books be maintained in Chicago." * * *

SAINT GERMAIN" [42]

Therenpon it was stipulated that Government's Exhibit 73 was mailed to the witness and that the signature "George" was the signature of Mr. Ballard and was in his handwriting.

The Witness: Mr. Ballard was oftentimes called "George" and Godfre Ray King. The words on Ex-

(Testimony of Harry F. Sieber.)

hibit 73 "Ans 12/21/34" are my writing and indicate the date on which I answered the letter.

Exception No. 9.

GOVERNMENT'S EXHIBIT 73

was thereupon offered in evidence.

The Court: Subject to the same objection, it will be admitted; exception allowed the defendants.

Said exhibit reads as follows:

December 18, 1934

"My Dear Harry:

"Your letter of the 17th received. You know, Harry, many people want things they cannot have under the old method.

"We cannot give anyone 50% and have anything left for ourselves, and furthermore, we are not going to do it. Brentano's one of the largest book sellers in America have been selling 'Unveiled Mysteries' almost a year for 30% discount.

"Saint Germain said in the beginning that 30 and 33 1/3 was the limit to be given anyone. Harry, our greatest opening for book sales is through the class work. *In this way it gives you the thirty percent where it should go.*

"For us to give 50%, pay for the publishing, and a percentage to you beside would leave us without a dime. We do not forget that we have two thousand dollars in obligations to pay upon these books already.

(Testimony of Harry F. Sieber.)

"Saint Germain said that he wanted us to have $1.00 per copy clear on all books as his gift to us. [43]

"Harry, I am the channel that has made all this possible and I do not intend to be swallowed up by this terrible commercial thing that has always forgotten the originator of a thing from which others have received millions.

"Our experience here with the Psychic Research Society and the Harmony Book Shop shows how we would be treated by a great many dealers. Each one of our students will easily sells five more books by mentioning it. That is how our work has spread so far and it will continue to grow more and more rapidly, for the 'I Am Presence' is its success.

"If the dealer does not happen to believe the Truth contained in this book, he will not push it. Therefore, our dependable opening is through the class work. The demand for the class work in Chicago is tremendous and already the students there are teaching classes as full as the accommodations will permit.

"If we will all apply the 'Law of the Mighty I Am Presence', we shall find all channels ready to bless us. We are working from the ASCENDED MASTER ACTIVITY and we must not fall under the old commercial heel.

"We want to spread this work more than anyone but it is not necessary to make our-

selves financially helpless in order to do so. Saint Germain said in the beginning that if we would set our decree and stick to it to pay 30 and 33-1/3% and back it up with the 'I Am' all would come to it who would be of help.

"Harry, you are not going to be cut out of this as long as you wish to stay in it. We deeply appreciate all you are doing and bless you for it but we must all have more trust in the 'I Am'. We have put our full trust in [44] the 'I Am' and you. In this way you cannot be deprived of anything that belongs to you.

"So far as orders coming from your people to Chicago, we shall keep as close a check there as possible and make a check for thirty percent out to you for those sales. Under the circumstances there is no other way to handle it.

"We did three years of the hardest work two people ever put in as the first step in establishing this work. We fought our way through the most hellish human viciousness you ever saw—and won our victory by the 'Mighty I Am Presence'.

"Yes! The 'I AM' and the ASCENDED MASTERS with your and our work will make Washington one of the finest classes; for the 'I AM is the power that makes all class work successful.

"* * *

"Lovingly,

"GEORGE." [45]

(Testimony of Harry F. Sieber.)

The foundation was waived as to Government's Exhibit 74 by stipulation, and that the letter was Mrs. Ballard's, Mr. Ballard's, or Don's.

The Witness: The words "12/27/34" are my handwriting and indicate that I answered the letter.

Exception No. 10.

Government's Exhibit 74 was thereupon offered in evidence.

The Court: Subject to the same objection and exception allowed to the defendants. Was this received through the mail?

The Witness: Yes.

Said letter was received in evidence as

GOVERNMENT'S EXHIBIT 74

and reads as follows:

"Breslin Hotel
"New York City, N. Y.
"December 23, 1934

"Beloved Harry
My dear Pal:

"Your blessed letter just received. Just be happy. No misunderstanding shall come in for 'I Am the Presence' always on guard forever preventing any such thing.

* * * * * * * *

"You are right. There must be a definite policy to act under in regard to the books. We

(Testimony of Harry F. Sieber.)

do want to get the books out as soon as possible but not at a complete financial sacrifice. Humanity has gone this far and I doubt not will stick around a while longer.

"Saint Germain said, we were to have at least three distributing points, Chicago, Philadelphia, and the western coast but not under arrangements that would make us unable to do the things he wished to do through this channel. [46]

"Stand by the agreements that have already been made but hold all others within the 30 and 33⅓% discounts. We shall ask the 'Mighty I am Presence' to draw all attention to the channels who are willing to do this and as It is the only controlling 'Presence' and Power in this work everything must yield perfection to everyone in it so only satisfaction, Love, and cooperation can be the result to all.

"* * *

"We expect Don and Burt tonight. We have called for showers and showers of blessings upon you all this Christmas and these are only the stepping stones to the glories that are to come to you. Marvelous work is being done on Lotus' teeth for which we are deeply grateful. Love and kisses and blessings untold upon you all forever.

"In all the Love of the 'I AM Presence',

"GEORGE, LOTUS & DON."

[47]

(Testimony of Harry F. Sieber.)

The Witness: I have known Mrs. Ballard to be called by a name besides "Edna". We often called her Lutus, but by no other name that I recall. I received Government's Exhibit 75 for identification through the mail. The words "No. ans. Answered in person" are my handwriting. I received it while in the East from Chicago.

It was stipulated that the letters marked Exhibit 76 bear the signature of Louise Majerus, one of the defendants; that they were received through the mail from Chicago by the witness.

Exception No. 11

Mr. Cannon: This objection, of course, is on the ground they are immaterial and irrelevant and have no bearing on any issue in the case, and we also add to that objection the one that the exhibit is not admissible against any person at all in this case except Louise Majerus, because there is no evidence at this time with respect to the then existence of any conspiracy, or anything upon which the Court could find or the Court could ask the jury to find any conspiracy.

Mr. Neukom: We are willing to abide by that proposition, your Honor, that they be admitted only as to the defendant Louise Majerus and not be binding upon any other defendants. They are offered for that limited purpose only. In fact, I intended to offer them for that limited purpose.

(Testimony of Harry F. Sieber.)

The Court: So understood. The other objection of counsel made with respect to the other exhibits, you want applied to this exhibit, the general objection?

Mr. Cannon: Yes, in addition to the one I just made.

The Court: It will be so understood. The objection will be overruled, exception allowed, and the exhibit marked 76, which consists of the letters that were designated as to date and on the stationery of the Saint Germain Press by Mr. Cannon are admitted only against the defendant Majerus.

[48]

I never personally saw Saint Germain during the time I was with the activity. I kept a careful account of expenses and receipts and disbursements of the various classes that I managed at which the Ballards appeared and submitted them to Mr. and Mrs. Ballard from time to time at the close of the class. A division was always made of the proceeds from the classes. The procedure followed in all instances was the same as to the five or six classes that I was manager of. The expenses were deducted and the balance was divided 50-50 in accordance with the arrangement. I received 50% after all expenses that were submitted were deducted.

At that time the only book that was in publication form was "Unveiled Mysteries". I received 30% from the sale of the books. When I first started out on the tour I had a discussion with Mr. Ballard.

(Testimony of Harry F. Sieber.)

(Tr. Vol. 3, p. 248.) The only thing I recall is a report from Mr. Ballard as to the number of books on hand while I was manager. The first discussion was held in Chicago at the first ten day class. He told me a thousand copies had been published of the first edition. I had a discussion with Mr. or Mrs. Ballard during the classes regarding supplies. As the books were sold the question of more supplies came up. It was while I was with them. It was chiefly with Mr. Ballard; usually both were present. I can't say they were always both present. I had a conversation in the presence of Mrs. Ballard with Mr. Ballard pertaining to the issuance of the second publication of the "Unveiled Mysteries". I had a conversation with Mr. or Mrs. Ballard regarding the cost per volume of the first publication. It would be difficult to specify where it was. It occurred during the tour and before I was injured in January, 1935 and during October or November. I recall the conversation generally.

Exception No. 12.

Mr. Neukom: Do you recall what sum was stated to you as the cost per volume of the initial or first publication of [49] "Unveiled Mysteries" by one or the other of the Ballards?

Mr. Cannon: That is objected to on the ground no foundation laid. Also, if the conversation was with Mr. Ballard, it is heresay against these other defendants, and on the further ground that the matter of the cost of these books or the prices

(Testimony of Harry F. Sieber.)

at which they were sold is wholly and entirely immaterial on the ground that the element of profit or loss in the publication or sale of these books is no element to be considered in a mail fraud case.

The Court: Objection overruled.

Mr. Cannon: Exception.

May we at this time—I think it is a valid objection—may we without specifying each time—have a running objection to any and all testimony offered with respect to the cost of printing of these books and pamphlets and cost of the distribution of them or sale as not being within the issues and not being the proper subject matter?

Mr. Neukom: We have no objection to that theory.

The Court: Yes, it may be so understood.

The court has already ruled that, in his opinion—the Court's opinion—the purpose of this is to show motive, good faith, and intent; and limited to that it is permissible to permit this evidence before the jury.

It is further understood that whenever these questions are asked and answers given, that the same objection of Mr. Cannon as now made before the Court, without repeating, are made to all such questions and all such answers, and exception allowed to the defendants, and each of them. (Tr. Vol. 3, pp. 255, 256.)

The Witness: The amount stated as the cost per volume of the first publication of "Unveiled Mysteries" was something over a dollar. I haven't

(Testimony of Harry F. Sieber.)

a definite recollection how much over a dollar. I had a conversation with Mr. and Mrs. Ballard during [50] the course of the tour concerning the second publication of "Unveiled Mysteries". There was more than one of them. You could hardly call them conferences. It was just a question of getting the second edition published and out in our hands. They were informal talks. I always discussed business matters with Mr. and Mrs. Ballard before acting. I had a conversation as to the cost per volume of the second edition of "Unveiled Mysteries" in Boston in 1934. It was said that the cost of the second edition would be 26½ cents per volume and that 5000 would be ordered. At that time, that edition of "Unveiled Mysteries" was being sold to the students for $2.50. I thereafter obtained the funds from which to order the second edition of "Unveiled Mysteries". I raised money for 5000 copies. I borrowed the money. As near as I can recall, I raised $900 from two sources. I think it was the major portion of the cost of the second edition.

The "Magic Presence" was never in publication form while I was with the Ballards. I had conversations with Mrs. Ballard in the presence of Mr. Ballard with respect to publication of that book in connection with prepublication subscriptions. A presubscription was offered for $2.75 for the trade edition, and $5.00 for the edition autographed by Mr. Ballard. The $5.00 edition was to be of better binding. In our conversations concerning these pre-

(Testimony of Harry F. Sieber.)

publication subscriptions, we discussed simply the means of getting the necessary money to send the manuscript to the printers and getting it under publication.

Mr. Neukom: Now I show you a statement dated November 30, 1934. (Government's Exhibit 77.)

Mr. Cannon: No further identification is required.

The Witness: I delivered the original of Government's Exhibit 77 to Mr. Ballard.

Exception No. 13.

Mr. Neukom: We will offer the instrument. [51]

Mr. Cannon: We have the same running objection to this, on the ground that it is immaterial and has no bearing on the issues in the case, and is hearsay as against the other defendants.

Mr. Neukom: This is in your handwriting, this last exhibit?

The Witness: It is.

The Court: Same rule as I made yesterday and exception allowed. The exhibit will be received in evidence.

The Witness: The cash statement, 11/30/34, (Exhibit 77), refers to the second class at Philadelphia. The $1025.25 was exclusive of the sale of books. The statement relates the expenses as $286.51. They were deducted from the $1025.25, leaving $738.74, and in accordance with the statement, "G.

(Testimony of Harry F. Sieber.)

W. Ballard, $369.37; H. F. Sieber, the same amount", I delivered the $369.37 to Mr. Ballard.

I prepared statements of a similar nature concerning the four or five other classes that were conducted during the period I was with Mr. and Mrs. Ballard. I turned the originals over to Mr. Ballard shortly after the close of each class, but I do not know where they are now. It is my recollection that the amounts ran approximately the same, around a thousand dollars, a little more or less. The expenses were approximately the same also. At the close of each class I turned over to Mr. Ballard one-half of the receipts, less expenses and retained one-half for myself. There were certain other moneys from the sale of books. (Tr. Vol. 4, p. 274.)

In the first half of December, 1934, at the Hotel Breslin while in New York, during the second class in that city, Mrs. Ballard made a remark concerning a manuscript that she was working on. Mr. and Mrs. Ballard were present. The only thing concerning the conversation I recall is, "We must get the manuscript [52] out." She referred to the "Magic Presence". I have seen her working at the typewriter. I never stood over her and watched what she was doing.

Exception No. 14.

Government's Exhibits 78, 79, 80, 81, 82, 83 and 84 were offered in evidence and it was stipulated that they were received by the witness at or about

(Testimony of Harry F. Sieber.)

the dates they bear, either from Mr. or Mrs. Ballard as the signatures assume to indicate.

Mr. Cannon: And, of course, my running objection goes to all or these and an exception allowed.

The Court: So understood and the same exception allowed to all defendants.

GOVERNMENT'S EXHIBIT 78

reads as follows:

"Feb. 7-35

"Beloved Harry:—

"I wired you last night asking you to recall all authority given to Wilber Smith and give the authority to Betty Mundy to hold and handle the books here and be head of the groups here. If it had not been for Miss Mundy we would not have had any class here.

"One of the prominent students told us many have not come to the class because Smith was there. He is ten times worse than Alvin. Nothing but confusion and vicious with it.

"Already 6 books are out without payment. I will not let any more books get in his hands.

"The hall he got here isn't fit for a dog fight let alone an Ascended Master Activity.

"When a Masonic hall could have been had at little or no expense.

* * * *

"THE BALLARDS

"Per GEORGE." [53]

(Testimony of Harry F. Sieber.)

GOVERNMENT'S EXHIBIT 79,

a letter dated February 12, 1935, reads as follows:

"My very dear Harry:

"Your blessed letter of the 8th inst. re-received. You dear child, cast from your mind forever any question of discontinuing our association.

"You are laboring under a great mistaken idea wherever it came from. Max Gysi has been wonderful beyond words. To step in your place on a moment's notice as he did and do the work and give the assistance he has given and his willingness to do it, is a miracle almost superhuman. He has never asked for a dime for his service, but I have insisted he take something which has not been much. I assure you he is only with us because you could not be, and sought none of it himself.

* * * *

"Now, for Smith. To start with there are not two sides to my story. I tell you exactly what occurred. The second day he tried to chase Mrs. Mundy out, whom we had asked to assist Max. He resisted and disliked Max from the beginning. Then he made written demand on me for 30% commission on all books sold, 90% of which was sold by Mrs. Mundy to her friends. But for Mrs. Mundy we would not have had a class at all. The hall was over a market and

(Testimony of Harry F. Sieber.)

not fit for a dog fight until Mrs. Mundy worked and cleaned it up, Smith helping some. She took her rugs, drapes, chairs for us, vases for flowers and made it possible to use. We were never in such a place and I guarantee never will be again.

"Then the fifth evening he stood up in class and said Saint Germain had come to him that morning. I knew [54] instantly some sinister motive was back of it. I did not expose him in class. Saint Germain instructed that Mrs. Mundy was to have full charge of the books and be head of the group after class. This was announced by Max the sixth day at our request. Then Smith showed his fangs. Just an hour before the afternoon class the last day he sent me a written note that he had closed the hall, because $25.00 was still due on the rent. After he had told us the rent was $50.00, and you had sent him $25.00 and we paid him $25.00 the first day of class here. He called and got his letters from Mrs. Mundy which contained the receipts, before he started any of this. The owner of the hall was in with him for when we went to have the hall unlocked he said for $25.00 he would have the hall unlocked in five minutes. Then he told us the rent was $50.00 and showed us copies of the receipts that $50.00 had already been paid. We had no time to fight the situation as people were be-

(Testimony of Harry F. Sieber.)

ginning to come, so paid $25.00 more, making $75.00 for a hall not worth $25.00, and we haven't seen him since.

"Smith told a man, one of the students to whom he owed money, that as soon as you got here he would have $200.00 cash. These are the exact facts in the case. He also secretly made copies of Saint German's colored picture, the chart and the other colored one Mr. Brooks sent us here, and was offering them for sale. I announced to the classes no one had been given permission to make copies of the picture to sell. He is a fiend, the most vicious I have met and don't anybody try to tell *he* he is not. On the door in typewriting, read, "Closed by Saint Germain's order. Showing he was trying to assume my authority with Saint Germain. That is Insanity. [55]

"Max has full and complete report of each class. The gifts were much less in these two classes than in the others. In both classes the effort was made to break up the class. Smith never came and talked to me once about anything of the business.

* * *

"When we go to England we need Max Gysi there and I think we could get him to go to England in advance and make the arrangements for he is well known in Europe and England and has Key people everywhere there.

"The change of dates and arrangements here

(Testimony of Harry F. Sieber.)

was made by us, that we could have time to finish the Magic Presence before Pass-a-Grille class, which we are doing now and expect to have it off to Chicago by Saturday of this week. Then after Pass-a-Grille class we will get the 'I AM' discourses ready for the printer before going on to Dallas. The Dallas date is the same. But we extended the time of class in Los Angeles three days I think it was to give us more time to get there, driving through in the heat and little time to rest after arrival. We have been driving ourselves mighty hard for three years. Mrs. Ballard caught cold the last two days in Washington, but in spite of disturbance in her throat has read for every class, a super-human victory. At no time was she able to be still long enough to entirely get rid of it. Now she is almost entirely free. Thanks to the Mighty 'I AM' Presence.

"Sincerest love and blessing to you all,

"G. W. BALLARD."

GOVERNMENT'S EXHIBIT 80

reads as follows:

"El Verano Hotel,
"West Palm Beach, Fla., [56]
"Feb. 14, 1935.

"My dear Harry:

"* * *

"First—your (brief case) is here with everything intact just as you left it. Your metal case

(Testimony of Harry F. Sieber.)

and very small case with rubber stamp, small fiber case with printed matter, etc. I don't know what we would have done without your brief case and the information contained. I was not familiar with what had been done.

"I would suggest you go ahead and make all arrangements for Los Angeles class as you had started it. Then if you can meet us there, fine, O. K. but I do not think you should try to go by crowded auto, Dallas to Los Angeles. If it does not tire you too much, go ahead and complete arrangements for the Dallas class. In both cases, let us know fully what has been done. Should we not have 100 books sent to Dallas for class there?

"If you are not ready to come to Dallas, might it not be well for you to go on a week ahead to Los Angeles to shape things there? There will evidently be two tremendous classes there. Do not over-tax the strength of your leg when you start to step on it. Do not over-tax your head in thinking out the arrangement for Dallas, unless you feel equal to it.

"It was imperative we cancel Jacksonville, as no arrangements of any definite nature had been made. This gave us chance to change the time for Passa-Grille class and give us time to finish 'Magic Presence' here before going there. Then after the Pass-a-Grille class to get

(Testimony of Harry F. Sieber.)

the 'I AM' discourses ready for the printer before going to Dallas.

"* * * [57]

"We are determined to get the 'Magic Presence' to the printers if we have to stop all classes, as it has already been too long now. This will enable both to be ready without missing but one class. It simply is not possible to do the manuscripts and class at the same time.

"* * *

"GEORGE."

GOVERNMENT'S EXHIBIT 81

reads as follows:

"March 2, 1935

"My dear Blessed Harry:

"Your letter of the 25th came yesterday. * * *

"Will you kindly send $100.00 to Mr. Couch and keep $50.00 for yourself out of the $150.00 you have for 'Unveiled Mysteries'. Send all money orders made out to you, the Saint Germain Press or Activities to Louise Majerus in Chicago. Endorse all that are made out to you personally, then she can deposit all at the Bank and keep the money orders from running over their thirty day limit.

"We will let you know when we are leaving here. We may stop in Dallas for two or three days, but I question very much having a ten

(Testimony of Harry F. Sieber.)

day class there, from report received today. This will enable us to get 'I AM' discourses ready for the printer, which is so important now.

"* * *

"Inform all people this work is entirely independent of Spalding or any one else. Neither does he or any one else have anything to do with the work. I do not know his attitude there to this work. We know but one thing, he cannot interfere with it in any way.

"* * * [58]

"GEORGE.

"P. S. Our expenses were high here and a small class but we have never had greater love and gratitudes.

G."

GOVERNMENT'S EXHIBIT 82

reads as follows:

"February 22, 1935.

"My dear Harry:

"Your letter of February 18th received. * * *

"I do not recall your request for the envelope with the Curtiss addresses, and as I had not looked in your brief case, did not know it was there, but on receipt of your letter yesterday I found it was there, and I am enclosing it.

"* * *

"We are just in receipt of a letter from Miss

(Testimony of Harry F. Sieber.)

Majerus that solves the situation with Benner (The Sun Pub. Co). He writes Miss Majerus that he is willing to pay the express and postage on the books, which makes his 40% on Unveiled Mysteries Okay. We had better just let that stand for the rest of the second edition anyway, as I trust you will be with us by the time the Magic Presence is off the press, we can take that up later, but I am sure all the other books after Unveiled Mysteries, should be 30% and 33½% on lots of 100 or over for Saint Germain has requested this from the beginning, and we want to obey him. We have not been on the Ray since New Year's in New York.

"A lot of things should have been done which have not, but we have done the best we could to get the 'Magic Presence' ready as quickly as possible, and no one wants it off the press more than we. It is nearly ready for the printer now. The contract is signed and the first payment [59] made.

"If you care to take my advice, you will cut yourself free from Smith as quickly as possible and forever. He is attempting to continue to spread lies in Miami about Saint Germain, Mrs. Mundy and ourselves, which we know is his self-destruction. He will not get far. He will lie about you just the same as to anyone who will listen to him. His penalty will be terrible. Do not ever let him have any more books, and if any one should order books from Miami, refer

(Testimony of Harry F. Sieber.)

them to Mrs. Mundy. When he made the pretense of being in communication with Saint Germain, refuting my authority, he opened himself wide to the most fiendish of forces. He is now telling he invested money with us. He never gave us a dime and has six books for which he never paid, and is offering them for $2.00 per copy; also offering photographs of the pictures for $1.00 each or three for $2.00.

" * * *

"GEORGE."

GOVERNMENT'S EXHIBIT 83

reads as follows:

"Sunday Evening, Febr. 3, 1935.

"I am just back from your home and have a few more reports to make. I found out that Sun Publ. Co. has a whole case of books shipped to them and the payment of the check is probably for that shipment. Beside there have been about 15 orders sent from here directly to their customers and yesterday's order was for 15 additional copies to be again forwarded from this office. I do not know what kind of agreement you have with that concern, but I feel that the 40% discount would not be wise on our part. One dealer has written to us and ordered some books in order to get the full discount. Therefore, I [60] conclude that The Sun Publ. Co.

(Testimony of Harry F. Sieber.)

is selling books to dealers and if they allow per chance 33½% as is customary with some dealers we would in time see our wholesale business go into their hands. For the larger concerns it would be more profitable to do business with the Sun Publ. Co. than to do it directly with us. I have seen cases like that in the book business and we should avoid them right from the beginning. And besides we pay the postage on the shipments that we make for them and that is at least an additional 5%, so that the whole discount amounts to about 45%.

"This is an extract from Miss Majerus letter which we think you should see.

"GEORGE."

GOVERNMENT'S EXHIBIT 84

reads as follows:

"March 13 - 1935

"My dear Blessed Harry:

"Your lovely letter of the 10th with the money order enclosed just received. Thank you so much.

"* * *

"It is quite all right to give the Fergusons any assistance you can, but I do not think they will require the application blanks in their work in Toledo. However, it is quite all right to send them if they wish them.

"* * *

(Testimony of Harry F. Sieber.)

"We leave here early on the 17th. Or if you do not get the word here, then let us know at Dallas. We will be there the 22-23-24. I am sure we could have had splendid class there if it had not been for finishing the 'Magic Presence' here, but it just had to be finished. Thank God it is finished and goes to the printers Friday the 15th. My gratitude is boundless. It is tons lifted [61] off my shoulders. The 'I Am' discourses are almost ready as well. So both will soon be ready for distribution for I know the Mighty Presence will release the money to print the 'I AM' discourses soon as they are ready. How grateful I will be when all three books are in print.

"* * *

"We are to open class in Los Angeles on the 2nd of April.

"* * *

"GEORGE." [62]

The Witness: I had some correspondence and some names and addresses that I had corresponded with in the brief case referred to in Government's Exhibit 80.

Exception No. 15

I had a conversation with Dr. Curtiss in the fall of 1934 prior to the holding of the class in Washington, D. C.

(Testimony of Harry F. Sieber.)

Mr. Neukom: Will you relate the subject of the conversation as near as you recall it.

Said question was objected to as immaterial and on the ground that the Ballards were not indicated as being present. Objection overruled and exception allowed.

The Witness: The first conversation I recall about was that Dr. Curtiss accompanied, I think, by his secretary came to the meeting and Mr. Ballard afterward told me who they were. I could not say definitely that Mrs. Ballard was present at the meeting. I can't say that I had a conversation with Dr. Curtiss while Mrs. Ballard was present. I have sent envelopes to Dr. Curtiss. I don't recall the exact details of any conversation regarding them. The thing that was definitely discussed was that I had no names in Washington to send these letters to; that Dr. Curtiss did have a list and that the envelopes were sent to him because he had an addressograph plate, that he would addressograph these letters and send them back for me to send out. That was all reported. I definitely had a conversation with Mr. and Mrs. Ballard prior to sending the envelopes to Dr. Curtiss with respect to that. I sent approximately a thousand empty envelopes to Dr. Curtiss in the box they came in. They were received back by me with addresses placed on them and I caused them to be mailed. I told Mr. and Mrs. Ballard what I was going to do. Before mailing the envelopes, I placed a circular letter (Government's Exhibit 87) in them with a return card. I do not

(Testimony of Harry F. Sieber.)

have a copy of the circular letter or card, nor access to either.

Referring to the Mr. Smith mentioned in Government's [63] Exhibit 82, prior to my tour of January 13, 1935, I had corresponded with him in Miami, Florida. Prior to corresponding or making advance arrangements for future classes, I discussed the program with Mr. and Mrs. Ballard as to the cities that they planned to go to. I discussed with them that I intended to make arrangements to go to Miami, Florida. I discussed with them that I had written to Wilbur Smith in Florida. I don't think I talked with the Ballards prior to each and every one of the classes, that I would have to make arrangements with a local representative where he would have to be reimbursed for his services.

I couldn't say that I had a discussion with the Ballards with respect to giving a local representative a percentage on the sale of the book. (Tr. Vol. 4, p. 307.) I did write to Wulbur Smith with regard to the Florida class. The only thing I recall is that I knew Mr. Smith by correspondence and, as he was located there, he was the man that I had written to and asked to secure the hall and get the class together. I communicated this fact to Mrs. Ballard. I do not have any present knowledge of the contents of the letter written.

An announcement was contained in the letter sent out by Dr. Curtiss. It stated in substance that there was to be a class in Washington. The date and place

(Testimony of Harry F. Sieber.)

were not selected at that time. A postal card was included and then if they were interested, to return the card and they would be given the date and place of the class. We mailed out about a thousand of these circular letters. I had the yellow circular entitled "Conditions Attendant Upon Acceptance of this Instruction" printed approximately October 1934 in Lansdale. Prior to that I received a paper from Mrs. Ballard with this Saint Germain instruction. It was the instructions of the class. It wasn't a letter, it was a sheet of paper handed to me in Philadelphia. I read from that paper to the classes before this was printed. I caused the circular to be printed. [64]

The Witness: The source of the paragraph on the reverse side of Government's Exhibit 87, which appears to be a quotation, I copied from the second page of the letter which is Government's Exhibit 69. I caused my name to be placed on the circular prior to its printing.

Thereupon,

GOVERNMENT'S EXHIBIT 88

was admitted in evidence, and reads in part as follows:

"Dallas, Texas, Mar. 26, 1935.

Dear Harry and Family:

"* * *

"We had a splendid trip here from St. Petersburg. We have just finished one of the

(Testimony of Harry F. Sieber.)

most wonderful classes here we have taught thus far; 150 in attendance last night.

* * *

"As your condition does not permit you to get to Los Angeles, I think it would be wiser for you to remain there with your family and put forth as many books as possible, as we will only have two classes after Los Angeles in the West. When the Magic Presence reaches you, your 30% from the books should be able to take care of your home expenses.

* * *

"All should know there is only one key to financial success, and that is constantly pouring out Divine Love to all persons, places and things, and that criticism, condemnation and judgment but destroys its creator.

* * *

"The classes grow more and more wonderful as we move forward.

"Our Love and blessing and that of the "Mighty I AM Presence" enfolds you and your blessed family always and prosper you in the miraculous ways of the "Mighty I AM."

Lovingly,

THE BALLARDS

By G. W. B." [65]

After it was printed, it was circulated generally among the class. The Ballards couldn't help but

(Testimony of Harry F. Sieber.)

see it. It was circulated in classes at which they appeared. The Saint Germain appearing on the circular was on it when I received it. It was a typewritten signature, "Saint Germain." I never saw Saint Germain. The information contained in the third paragraph on the reverse side underneath the printed name "Saint Germain" came out of the letter that you have already read, Government's Exhibit 69.

Thereupon the circular letter was received in evidence and marked as Government's Exhibit No. 87. Mr. Neukom read from Government's Exhibit 87 three paragraphs contained on the reverse side of said exhibit after which appeared the printed name "Harry F. Sieber." [66]

In the presence of Mrs. Ballard, Mr. Ballard stated in the latter part of October 1934, in a hotel room in New York, that Saint Germain had said that there would be a million copies of "Unveiled Mysteries" distributed.

Cross Examination

The portion of Government's Exhibit 87 which I composed is subsequent to the words "Saint Germain". The portion commencing "Conditions Attendant Upon Acceptance of This Instruction" down to "Saint Germain" was on a sparate sheet that Mrs. Ballard gave to me. I was sincere in this whole work all the time that I was connected with it. It is hard to say "Yes" or "No" to the question whether

(Testimony of Harry F. Sieber.)

I believed the teachings. If I can qualify it; I will be glad to answer. Mr. and Mrs. Ballard represented that they were the messengers of Saint Germain and I accepted what they told me because I knew nothing about Saint Germain or any of their teachings, and I accepted it in sincerity. I believed the teachings as far as I was able to believe them. I believed it on the same basis that I believe in a Divine Being now. I definitely believed at the time that it was a good proposition for humanity. I believed that the dissemination of the information and assisting in the promulgation of the doctrines through the sale of books would help people.

Exception No. 16.

The Witness: I believed it would help people.

Mr. Cannon: And did you believe too, by reason of the experiences you have had with it, that it has helped thousands and thousands of people to your own personal knowledge?

Mr. Neukom: Your Honor, I object to that as being a conclusion of this witness.

The Court: Yes, it would be a conclusion. Sustained. Exception.

The Witness: I didn't go into this thing from a money making standpoint. I went into it and as long as I remained [67] in the movement, with the primary motivating cause of doing good to humanity. When I first came in contact with Mr.

(Testimony of Harry F. Sieber.)

and Mrs. Ballard, I had no thought of engaging in a book selling scheme. All I knew about the teaching was reading the book, and that is what attracted me to them. A book was given to me to read some considerable time before I met Mr. or Mrs. Ballard. After I read the book myself, I gave it to several others to read. I didn't acquire several books for myself for distribution. (Tr. Vol. 4, p. 340.)

Mr. Cannon: Just for the purpose of refreshing your recollection as to whether or not you had bought several of these books, or had several of the "Unveiled Mysteries" before you ever contacted Mr. Ballard, I will hand you a document dated May 26, 1934—that is on the envelope it is marked that way—and ask you if that doesn't refresh your recollection that even before you had ever contacted Mr. Ballard you told him "that we have bought"—just a minute, let me finish—"we have bought a few of your books 'Unveiled Mysteries.'"

Had you?

The Witness: Well, "we have bought a few of your books." I don't know to whom that "we" refers to. I personally didn't buy any books until after I was at Chicago and saw them.

Q. Who did you mean when you said "we have bought a few of your books"?

A. That might have been the previous organizations that I was with. I don't know frankly. At the time I wrote the letter dated May 26, 1934, I was definitely entirely interested in the spiritual side

(Testimony of Harry F. Sieber.)

or uplifting side of the movement. Thereafter, I went to Chicago and met Mr. Ballard. My first communications to him I addressed under his pen name, "Godfre Ray King". I wrote to him first after reading the book. I may have first talked to him on the phone before I went to his house, I don't remember. [68] A few weeks later I came to Chicago with my son. I came back to hear what they had to say about the Saint Germain teachings. I was still very much interested in the spiritual side of the enterprise and at that time when I came back to Chicago, ten of us came back to attend a group meeting. I had gotten up the group. There may have been a few who came through Mr. Ballard, I don't know. There were several that I got together. That was one of the first group meetings that was ever held. We didn't go there with any idea of commencing group meetings. We went there as a group to hear what they had to say and out of the result of that meeting, started these group meetings. I think that was in the latter part of July or the first part of August, 1934. My son and I attended the meetings and we stayed there for ten days. We had meetings in the forenoon and in the afternoon, but not in the evenings. I attended twenty meetings while there. I was more enthusiastic about the presentation of the teachings when I left the meetings than when I first came. I wouldn't call it a movement at that time. I don't know whether or not it is a movement now.

(Testimony of Harry F. Sieber.)

After I returned home from the first set of classes, I sent my wife to Chicago. She remained the same period. After she returned to Pennsylvania, she discussed the matter with me. After my wife came back from the class, I wrote to the Ballards, but I don't recall what it was about. Before I left Chicago I told Mr. Ballard that I wanted to be of use to him in any way that I could for the dissemination of the I Am principles. I continued to write to him about that for a number of months before the subject of selling books was ever discussed, with one exception. (Tr. Vol. 4, p. 347.) At the time I was at Chicago, the question of the first edition came up and he told me that there was a thousand in the first edition and that 400 had been sold and I offered to sell the other 600. That was on the first contact I had with Mr. Ballard. Nothing was said about compensation to me for selling them. With [69] that exception there was nothing said to me about the sale of books for several months. The subject had not arisen between myself and Mr. Ballard until they came to Philadelphia in October of 1934.

I was formerly a president of a bank or trust company in Philadelphia. I was educated primarily as an accountant.

Mr. Cannon: And from that experience you had had as a president of a bank and trust company, and your scholastic and practical training as an accountant, that was the reason, was it not, that Mr.

(Testimony of Harry F. Sieber.)

Ballard and you came to an arrangement that you should be the business manager?

The Witness: I can't answer for Mr. Ballard, and for myself, I would have to give you some other reasons for this thing. I went out there and took the classes and believed that they had something that would help people. Then we discussed it, and I suggested that they get out and they seemed to think I was all right to do the job, and that is the reason we got together. I don't think we had any specified reasons. I was the first so far as I know to suggest that the Ballards hold classes anywhere except in Chicago. I was the one who suggested that they come to Philadelphia and that they go from place to place throughout the United States. I think I suggested that the first class be held in Philadelphia. I don't believe that my first suggestion was that they go to New York. I think it was Philadelphia because there were three of us from that 10-day class in Chicago from Philadelphia. I wrote the letter dated September 28, 1934 stating:

> "It now looks as if it would be wisest and most advisable to hold the first class in New York."

I think I suggested the matter of taking up love gifts. My purpose in selling these books was to disseminate the I Am teachings.

Mr. Cannon: That was the only purpose that Mr. Ballard ever discussed with you, wasn't it, in connection with the sale of [70] the books.

(Testimony of Harry F. Sieber.)

The Witness: I don't think there was any further discussion on it at that time. I did not suggest to Mr. Ballard the amount of commissions that would necessarily be paid and which were usual with the trade in connection with the sale of books. I wrote the letter to Mr. Ballard, which is Defendants' Exhibit A for identification, reading:

> "That shows how foolish it is to send books from Chicago here and then from here back to the western points, particularly to the coast. I think you will have to work out something, some clearly defined policy on the books that will take care of every condition. I am sure you will have to figure on 50 percent to jobbers and wholesalers, 40 percent to men like Brenner, and 30 percent to the trade. These are pretty well established by the trade."

That letter was written in December after Mr. Ballard had established the 30 percent commission to me. I thought you were asking about that; this is the trade. I don't recall that I was the first one to suggest about the commission. It may have been, but I don't recall it. I wrote Defendants' Exhibit B for identification. I wouldn't be surprised that I suggested that the second edition be as many as 5000 copies. I can't say definitely. I am not sure.

Mr. Cannon: This letter that I had marked as Defendants' Exhibit B for identification, dated September 19, 1934, written by you says:

(Testimony of Harry F. Sieber.)

"However, I think we can arrange to get them in 5,000 quantities and thereby get enough better price so that I can allow a regular dealer 30 percent and still get something out of it."

Does that refresh your recollection?

A. (Pause) [71]

Q. I will read a little more:

"There should be 40 percent margin in the books, but, of course, that is based upon the publishing price."

Does that refresh your recollection?

A. Well, that still follows the first talk with Mr. Ballard which has already been read, and Mr. Ballard's letter in which he said Saint Germain said that 30 percent was to be paid on the books. The letter in which Saint Germain said something about 30 percent may have been written after the above letter of September 19 (Defendants' Exhibit B for identification), but there was a conversation before that; it wasn't all done by letter.

Q. Mr. Sieber, didn't you this morning tell me that after your talk with Mr. Ballard in Chicago, in July or August of 1934, nothing was said between you and Mr. Ballard about books until the Philadelphia meeting?

A. I may have said there was no regular arrangement made for me to sell books, but I didn't say that he didn't say anything about what commission would be paid, because I don't definitely

(Testimony of Harry F. Sieber.)

recall; but I know very definitely that Mr. Ballard set the 30 percent. I had nothing to do with that.

After I got the 30 percent, I began to look up the trade practices and those figures are the result of investigation of trade practices. The percentages that were allowed for the sale of the books were what I found to be the normal thing in trade practice. Perhaps I suggested that the sale of books be pushed for the purpose of disseminating as rapidly as possible the principles taught by the I Am movement. I don't recall.

Thereupon that portion of the letter dated September 19, 1934, hereinafter set forth, was offered and received in evidence as

DEFENDANTS' EXHIBIT B:

"To Our Most Wonderful Friends & Messengers of the Light—The Ballards: [72]

"Greetings and abundant joy and thanks to you all. Your special arrived last evening and I was so delighted with it that I didn't want to answer immediately for fear I might be too enthusiastic and effervescent. So I waited until today to answer.

* * * *

"There are a few things that I would like to have you give me definitely and in the meantime I will get busy and line things up. I will take the various points up in the same order as they appear in your letter.

(Testimony of Harry F. Sieber.)

"First. Re the books and book sales. I will be most happy to take charge of this for you and will do all I possibly can to put them over in a big way. 30 percent is perfectly satisfactory now. However, I think we can arrange to get them in 5,000 quantities and thereby get enough better price so that I can allow a regular dealer 30 percent and still get something out of it. There should be 40 percent margin in the books, but, of course, that is based on the publishing price. I am sure we can work that out satisfactorily, no doubt on the reprinting of the next edition of 'Unveiled Mysteries.' Now please answer me these questions in reference to the books:

"1. How do you want me to handle them—

"1. In the name of Saint Germain Press or my own name or some other name? Is Saint Germain Press incorporated? How do you want orders to be handled? Do you want me to have the orders come here to me or do you want them to come to you? Will you ship the books or shall I? These are details that must be worked out and whatever suits you best suits me. My own thought would be to relieve you of all details connected with the [73] distribution of all books. If possible, I think it would be advisable to do all busines in the name of Saint Germain Press. If the books are printed in Chicago they could be sent here in bulk and as I ship them out I could turn over to you

(Testimony of Harry F. Sieber.)

whatever is yours on each book or all remittances could be deposited in a Saint Germain account and once a week you could issue check to me for what was due me. [illegible] the receipts should be budgeted, that is, so much put aside on each book sold for republishing, etc. But anyway you want it handled let me know and I will be glad to handle it accordingly. I would like to see the letters ordering the book and comments after reading because that is the basis on which the whole constructive program can and will be built. So let me know your wishes on this as soon as possible. * * *

"My idea and hopes are to start the Eastern work with Oct classes in Phila. Nov classes in New York & Dec classes in Boston. Also after each class is over, to organize the class into a regular group that will continue to meet and study over their discourses; of course, that all depends on the future & will work out as the 'I Am Presence' wants it to.

"With all the love in the world and in happy service to the Mighty I Am Presence, and asking only to be used more and more each day in this Mighty I Am Service,

"Lovingly,

"HARRY." [74]

The Witness: I said that when I went to Chicago the first time "Unveiled Mysteries" had already

(Testimony of Harry F. Sieber.)

been published. I don't know how long prior to that visit. By the reference last made in Defendants' Exhibit B, the matter of selling books was, in my view, and from my discussions with Mr. Ballard, the method that was going to be best used to disseminate the information to the public. As a result of the letter, Exhibit B, Government's Exhibit 70 was sent. I was the first one who suggested the Ballards conducting the various classes in the different parts of the United States, because I thought they had a message that might be beneficial to people. I do not say that I was the first who suggested the offering of love gifts.

Thereupon Government's Exhibit 89 was offered in evidence. (This is a small copy of an early edition of "Unveiled Mysteries", "Copyright 1934 by Saint Germain Press. All rights reserved, including copy of frontispiece and foreign translation. Printed in the U. S. A.")

The witness was shown Government's Exhibit 69, a latter dated September 16, 1934, signed "G. W. Ballard" and Defendants' Exhibit C for identification, and testified as follows:

Exhibit 69 was in answer to Exhibit C. (Tr. Vol. 4, p. 374.)

Mr. Cannon: Now, I will refresh your recollection as to what was said by you as to these voluntary donations. I will read now portions of Exhibit C for identification.

(Testimony of Harry F. Sieber.)

"Then, too, I would like to make a suggestion to you. Far be it from me to tell either you or Saint Germain your business in any way, but I feel that I know so many souls who are just aching to get what you have to give and that they should have it. I feel that this wonderful work should be spread faster and [75] I believe and feel I could do a lot to help in that respect. The response to my suggestions concerning 'Unveiled Mysteries' seem to indicate that I could do a great deal to spread the I Am Presence teaching, so that I want to as modestly as possible and with not the slightest desire or intention of intruding in any way to suggest to you and ask you if you don't think it would be possible and advisable for you to travel from city to city spreading this truth which is so mighty and great. I could develop these groups or classes and would do so by concentrating the sale of 'Unveiled Mysteries' in a certain city in advance of your coming, and by so doing could have a good sized group interested and ready for your work. There could be a minimum number required if you would think that advisable—say a class would not be given unless there were either 50 or 100 students ready to take the work. This could vary with the size of the city. Also there would be no charge for the teaching and no collection, but the students would be given to understand that they should take care of the

(Testimony of Harry F. Sieber.)

expenses (actual) and make a donation as they saw fit or were benefited by what they received, and in accordance with their financial ability. There are at least a hundred cities throughout the United States in which I could get together interested groups ready for the teachings. The most important thing, as I see it, is first how you good people feel about it, and whether or not you want to do this, and the next thing is just how the expenses should be taken care of, whether any kind of arrangements could be made in advance to have the actual expenses underwritten or whether you would [76] want to depend on a free-will offering to take care of same. The basic thing I am interested in is getting before as many good souls as quickly as possible the wonderful message you have to give."

Does that refresh your recollection as to whether or not you were the one who suggested first the matter of free-will offerings?

The Witness: There is no suggestion in that. It is only asking questions as to what they approved of.

Q. But they brought forth the letter you had before you in which this matter of free-will offering—

A. The question of free-will offering was discussed with me and Mr. Ballard in Chicago at the

(Testimony of Harry F. Sieber.)

class. He told me the same thing that is in the Saint Germain message, that they as messengers could not say anything about it. I wrote him the letter asking him how to go about it because he was the authorized messenger of Saint Germain and I had to get his consent for anything I did. The method of receiving free-will gifts at the lectures was suggested by me. I did not discuss with Mr. Ballard the matter of pushing the sales of the book "Unveiled Mysteries" and following it up with a correspondence course with Mr. Ballard in Chicago. That was my own idea and followed later in my desire to disseminate the knowledge. Nobody suggested the publication of any book in the movement other than the one entitled "The Magic Presence" and "Unveiled Mysteries". I don't recall suggesting to Mr. Ballard that he have a series of books.

I wrote the letter of September 29, 1934, marked "Defendants' Exhibit D for identification".

It was thereupon stipulated that it was in the handwriting of the witness.

The Witness: Exhibit D for identification reading as follows, [77]

> "Anyhow it will be necessary for me to do the job right to see all the correspondence re the books and the classes. From those who react favorably to the books will be built greater book sales and the establishing of classes. I know also that from the reader of the books can be secured the funds for further publication if that is permissible.",

(Testimony of Harry F. Sieber.)

speaks for itself, and I did make the suggestion that there be a publication of a series of books. At that time I knew of only one other book to follow, and that was "The Magic Presence." That wasn't completed until they were down in Florida and that was after I was hurt and out of the picture, so the other publications all followed and were never spoken of to me up to that time. No lists of people were used at any time except that Washington list from Dr. Curtiss, who attended the lectures in Philadelphia. That list was voluntarily furnished.

The groups in the classes were not locked together in any great extent, excepfing some members attending one class, if they had friends in the next city would write and tell them about it and say, "Go hear the class". It was voluntary.

I have a faint recollection of having asked the Ballards for a list of their students after the books began to be sold through me. I got word back that they didn't keep a list of students.

When I stated that I saw Mrs. Ballard typing, I don't know whether it was a manuscript on the "Unveiled Mysteries" or "The Magic Presence" or what it was. I never went over and examined it.

There were no members in the activity. There was no admission fee charged and no charge made when students filled out an application or anything of that kind. No dues were charged. [78]

(Testimony of Harry F. Sieber.)

Redirect Examination

I didn't cause the letter, Government's Exhibit 72, to be written. I was always listening to wha directions Saint Germain had to give through the Ballards. Explaining what I meant by my answer concerning how love gifts or collections should be divided, I will explain. I distributed envelopes in which the gifts could be given. In other words, the people who took the lectures could put it in an envelope as they went out if they wished to leave anything. That was my suggestion and that occurred at Philadelphia and started with the first class. The first formal suggestion of love gifts was in that letter of September 16 in which I was authorized by Saint Germain, not being a messenger, to tell the students they could pay the expenses of the messengers. I am referring to Exhibit 69. I had not suggested that love gifts be sought from students prior to that. We had no students before that time, so there wasn't anything to suggest. The information with respect to the fact in Exhibit B at first, "Try out 2 classes in October and 2 in November" was in the letter from Mr. Ballard in Chicago. It had been called to my attention that Saint Germain had said that they were to have $1.00 clear on all books as his gift to them. That was not a suggestion of mine to the Ballards.

(Testimony of Harry F. Sieber.)

Thereupon the document, which was Defendants' Exhibit A for identification, was offered in evidence by the Government and marked

GOVERNMENT'S EXHIBIT 90,

and is as follows:

"Dear George:

"The enclosed letter is self-explanatory. These are the people in California I spoke to you about. Mrs. Courtois is the woman who is doing advance work for us there on the classes.

"Now, as to the book situation while we discussed it, we did not get down to anything definite. This [79] letter will show you the necessity of doing so. Just as in the case of Benner who wants 40% these people want 50%. After all it is this type of distributor and Benner who will get you the real distribution. It is from such people as these that most of your business will come. Also you must keep in mind the fact that eventually your entire distribution may find its way into the regular trade channels, thereby eliminating all other selling channels and consequently cutting me out of the picture entirely. I don't want to stand in the way of a single book getting out as quickly as possible, at the same time I do feel that I should have consideration for this missionary work which after all is the vitally important work. Then too, here is another point for considera-

(Testimony of Harry F. Sieber.)

tion. I sent a book to California since I came home. It went to one of the most important men on the Coast so far as our work is concerned. It cost me 26 cents postage. That shows how foolish it is to send books from Chicago here and then from here back to western points —particularly the Coast. I think you will have to work out some clearly defined policy on the books that will take care of every condition. I am sure you will have to figure on 50% to jobbers and wholesalers, 40% to men like Benner and 30% to the trade. These are pretty well established by the trade and I don't think there is much you can do about it unless you don't want to sell such people on their terms. The important thing is an equitable adjustment between you and me, particularly now that I am going out after the 'big business' of the book trade. These people really should be the western distributors so please return their letter to me as soon as possible so I [80] know what to tell them. I am rushed to death. Mail terribly heavy. Washington not coming on as I would like to see it."

There is no question but that the letter from Mr. Ballard, dated December 18, 1934, Government's Exhibit 73, was in answer to my letter, Government's Exhibit 90. [81]

WILBUR CURTIS SMITH

was called as a witness in behalf of the Government and testified as follows:

I am a news photographer and real estate broker living in Miami, Florida. I am acquainted with Edna W. Ballard and Donald Ballard and was acquainted with the deceased Guy W. Ballard, having met them in the fall of 1934. I met them through Harry Sieber. In February of 1935 I made arrangements for the Ballards to have a place in Miami, Florida, to conduct a class. I met the Ballards in Palm Beach, Florida, in mid January of 1935. I had a conversation with the Ballards on this occasion and introduced them to Mrs. Mundy. At this meeting Mrs. Ballard told me, after I had remarked that I had not heard from Harry Sieber in ten days, that he had met with an accident in Baltimore and was either dead or dying. On this occasion Mrs. Ballard said she had a terrible cold. She talked hoarsely and she asked me to scare up for her a quart of pineapple juice and some cough lozenges. I did so at my own expense. About ten days later I saw the Ballards at Miami. This meeting took place in the hall which I had rented for them. A lady from Toledo, Mrs. Pinkerton, was there and Mrs. Mundy and I were cleaning and mopping up the hall to make the place respectable when the Ballards arrived. At this time Mrs. Ballard stated the Palm Beach show—class—was a fizzle and she asked me to go to the Chief of Police in Miami and ascertain what the statute was as they

(Testimony of Wilbur Curtis Smith.)

had been almost pinched in West Palm Beach. She also asked me to arrange accommodations for them, so I went to Mrs. Mundy, who had plenty of accommodations, told her the Ballards were pretty hard up and she invited the Ballards to stay at her home. Thereafter, I told Mrs. Ballard that I had seen the Chief of Police and that he had told me that if they passed the hat they would have to take out a $500 — license fee. Mrs. Ballard then said that they could not take up a collection so I made the suggestion that she make an announcement from the stage that the people leave their money at [82] the door when they went out. The next morning I had a conversation with Mrs. Ballard at the hall in which I told her I was interested in carrying on in Harry Sieber's shoes to promote this show. Mrs. Ballard asked to what extent I could finance the campaign and I replied, "How far would $500 go?" She replied that that would be a Godsend right now. I then asked her what I would get out of it, asking her if one-third would be all right, and she mumbled something about one-fourth, to which I responded that I did not think Harry Sieber carried on for any such percent.

At that time I had a further conversation with her in which I told her I could show her how to make $1,000 quickly. I suggested, since I was a photographer, that I photograph the two pictures and sell them, one of the funny fellow that stands up above the other in a bottle or something—I forget

(Testimony of Wilbur Curtis Smith.)

what they call it—it is supposedly somebody that stands above our head and is ourselves. It is a picture of a male person from the bust up and above it what looked like a half-angel and a half something else in a bottle. The witness then identified said picture as being the same as the one contained in Government's Exhibit No. 5 (opposite the third page) entitled "The Magic Presence."

Exception No. 17

Said photograph was received in evidence over the objection of the defendants that it was immaterial and also, except as to Mrs. Ballard, hearsay. Exception was taken and allowed.

The Witness: I suggested to Mrs. Ballard that we sell the photographs for $2 per copy. They only cost us 2¢. Mrs. Ballard said she thought it was a good idea.

Exception No. 18

I attended the class meeting held that evening and noticed that Mrs. Ballard could scarcely speak above a whisper and that she took cough drops right in front of the audience.

Objection was made to this statement which objection was [83] overruled and exception allowed.

The Witness: I observed Donald Ballard on the second meeting night. He left the hall after a very loud invocation and slid out the side of the hall and I followed him. I asked him why he did not

(Testimony of Wilbur Curtis Smith.)

stay for the show. He replied that he got enough of that bunk without staying to the meeting. I asked him where he was going and he said to a show. I drove Donald to his show and while riding he complained about not getting enough spending money so I asked him why he did not have Saint Germain precipitate some, to which he replied, "Oh, some more of that bunk."

On the following day I went to the hall, photographed the two pictures and mailed them to Washington for copyrighting.

Exception No. 19

Another picture, Government's Exhibit No. 4, being a picture in an issue of "The Magic Presence," copyright by Saint Germain's Press in 1935, was admitted in evidence subject to the general objections of defendants as interposed to "Unveiled Mysteries." Exception was allowed (4a was a copy of Exhibit No. 4 without any markings, which was shown to the jury).

The Witness: That same evening, after the meeting, I didn't have any conversations with the Ballards but I went to Mrs. Mundy's house and sought to see the Ballards but she said I couldn't see them. The next day I went again to Mrs. Mundy's house to see the Ballards but Mrs. Mundy said I could not see them, so I told Mrs. Mundy that I had money coming from the books and unless I got the same I would shut the hall and would have no more meet-

(Testimony of Wilbur Curtis Smith.)

ings until I got my money; that they were not going to swindle me and leave town. Mrs. Mundy said she would give the Ballards my message.

I took the two things (pictures)—I didn't know them by the names "The Magic Presence" and "Saint Germain"—and made copies of them. The one of Saint Germain was kind of a bust picture [84] affair. I sold copies to all the flock I could in Miami and in different cities in the East.

The second or third night in Miami I had a conversation with Mrs. Ballard asking her where they were going from Miami. She replied to Dallas and California. I told her this would go over big in California because people there were very metaphysically-minded. She said so she had heard. She mentioned a certain party who she termed it, fell into a gold mine in Los Angeles, and I said, "Yes, I have heard about it, too." (Tr. Vol. 4, p. 438.)

Cross Examination

I am 56 years of age. I first contacted the I Am movement in the latter part of 1934 through correspondence with Harry Sieber. I don't remember whether I turned this correspondence over to the Post Office Inspectors or not. I don't remember who first contacted me about the I Am investigation from the Post Office Department. I do not recall whether I was contacted by them or not. I never met Mr. Van Meter or Mr. Callahan. I cannot remember nor can I approximate when I first

(Testimony of Wilbur Curtis Smith.)

related to any United States Government officials about my atendance at the meetings in Miami. I suppose it was this year. I have had a Grammar School and a High School education. Harry Sieber first wrote to me about a wonderful metaphysical organization that was going to set the world on fire. I did not believe him but I arranged for some meetings down at Miami. After a lot of fighting he told me I would get a commission on the books—30 per cent—maybe it was 25 per cent. He told me that he would send me one hundred books so I figured I would make 50 bucks. I don't know whether I expected to get more than this or not. For this I was to rent a hall, doll it up and clean it up, send out a bunch of postcards and get my friends to come and see what it was all about. The books were to sell for, I think, $2.50. I was not aware that I was to participate in any donations or love gifts. I don't think I ever claimed any. I don't think I talked [85] to Mrs. Ballard about commissions when I first met her. She talked about precipitating babies instead of having them the biological way and about cough medicine and pineapple juice. I advertised the meetings in Miami among my friends although I did not believe there was much to it. I don't think I ever had any faith in this movement. I don't know whether I made any personal campaign among my frignds to sell books or not. I don't know whether in consideration of my receiving the commission on the sale of books

(Testimony of Wilbur Curtis Smith.)

I was supposed to mail the postcard announcement of the meetings or not. I don't think that the promotion of this scheme had anything to do with the book sale. Harry Sieber had asked me to help get the meeting across. I wanted to know how much was in it beside the book. I knew he was getting a rake-off and I wanted to know how much he was getting but he would never tell me. It was because I wanted to get a rake-off that I asked Mrs. Ballard if I could step into Sieber's place. At this time I thought the whole thing was pretty much of a fraud but was still willing to participate in the rake-off. When I got the 100 books I distributed five or a dozen to people to look over but I did not collect any money from them. No, I didn't deliver the balance to *Miss* Mundy—it was to *Mrs.* Mundy. Books were passed out to those who attended the meeting and I saw some of the books paid for—how many, I don't know. It was 3 or 4 days after Mrs. Ballard came to Miami that I first asked her for commissions, that was after she blew up. I may have sent postcards asking people to buy books but I don't remember.

A postcard, defendants' Exhibit "E", for identification, was shown to the witness. He testified that he did not recall mailing that postcard and does not recall whether his Post Office Box in Miami on February 15, 1935, was 965.

Exhibit "F", for identification, was shown to the witness and he stated that it was one of his copy-

(Testimony of Wilbur Curtis Smith.)

righted photographs. [86] It was then stipulated that Mr. Smith's Post Office Box was 965 and that the postcard, Exhibit "E" and the photograph, Exhibit "F" could be introduced in evidence, which they were.

The Witness: I may have dated that postcard a year ahead. Mrs. Ada Ferguson, addressee on the postcard, is dead. I knew her in her lifetime.

The witness then stated in reply to the question as to what he meant on said card, Exhibit "E", by the statement that one half of the money would go back into the work, that he didn't say he sent the card to start with.

Referring to the pictures that I took from the hall in Miami and photographed and sent to Washington for copyrighting, I did not have permission from anybody to do so. I wouldn't exactly say that right from the start of the meetings in Miami that I was doing everything I could to upset the meetings. I wouldn't say I was very bitter toward the Ballards and I am not a bit bitter now; I have forgiven them; I am a Christian; I believe in a Supreme Being, but maybe not yours. Prior to the meetings held in Miami in February of 1935, there were no adherents of the I Am movement in Miami. The meetings in Miami were attended by between 5 to 60 persons. When I mentioned a while ago that Mrs. Ballard blew up, I mean that she got mad at that time. I said to Mrs. Ballard, "You, your husband and Donald are the only three people

(Testimony of Wilbur Curtis Smith.)

on earth that have the omnipotent power evolved upon you by Saint Germain who you say is the equivalent of Jesus. If so, why do you have to peroxide your hair? Why don't Saint Germain make you a natural blond? Why do you have to take cough medicine? Why don't Saint Germain heal you instantly? Why don't you resurrect your friend Harry Sieber and why do you pass the hat if you can precipitate all the money? Then Mrs. Ballard got up and walked away saying, I don't know what. I can't recall other than that she was in a huff. (Tr. Vol. 5, p. 491) This conversation [87] took place after the occasion concerning which I previously testified in which I drove Donald Ballard to his picture show. I don't know whether or not the people who attended the meetings were sincere in their belief.

Redirect Examination

I was subpoenaed to come out here to testify by the Government. After arriving in Los Angeles I spoke to Mr. Neukom and Mr. Lazarus for the first time.

Recross Examination

I would say 99 per cent no, I did not talk to any Post Office Inspector prior to talking to Mr. Neukom and Mr. Lazarus. I never saw Mr. Callahan before this trial in my life. The same is true as to Mr. Van Meter. I may have written letters to the Post Office Department or the United States Attorney's Office as to my knowledge in this case. (Tr. Vol. 5, p. 497)

MAX GYSI

was called as a witness on behalf of the Government and testified as follows:

I am acquainted with Edna W. Ballard and Donald Ballard and was acquainted with the late Guy W. Ballard. I live in Boston. I am retired. I used to work in banks, both in Europe and this country, Switzerland and London. When I met the Ballards in November of 1934 I was retired. Harry Sieber introduced me. He was their business manager. I attended my first class of the Ballards in Boston in November, 1934. Thereafter, I attended sessions, afternoon and evening. I advanced money for the publication of the book "Unveiled Mysteries." Prior to advancing money I had picked up at one of the classes in November a copy of an announcement. Said announcement was received in evidence and marked "Government's Exhibit No. 91," and was read to the jury by Mr. Lazarus.

At these classes in Boston Harry Sieber was at the door enrolling the people who came in. I advanced Mr. Sieber some [88] money for reprinting a new edition of Government's Exhibit No. 91. Thereafter, after I gave $600 for reprinting the book, I saw a reprint of the original edition.

The Boston classes lasted for ten days. After that I went by midnight bus to New York and stayed for two classes and then returned to Boston in December of 1934. I attended classes in Washington, D. C. from January 3 to 12, 1935. During the New York classes and during the Wash-

(Testimony of Max Gysi.)

ington classes I talked to the Ballards on several occasions. After the payment of the money to Mr. Sieber in Boston I received a letter from the Ballards.

Exception No. 20

The letter was offered in evidence as

GOVERNMENT'S EXHIBIT NO. 92

and was received over the objection of the defendants on the ground of immateriality and irrelevancy. Exception was allowed. The letter was written on the stationery of the Hotel Breslin, New York City, dated December 21, 1934, and was read to the jury by Mr. Lazarus, as follows:

"Blessed Beloved Student of Light:—

"Your lovely letter of the 18th came with the one to the students which I think is beautiful and splendid.

"I do not see anything to be altered. What a blessing when the Mighty 'I Am Presence' releases five thousand dollars or more to put this work forward as it should be. After that it would be self-supporting, I feel sure—and to have Mr. Brooks make colored pictures of the Masters, the Gods of the Mountains, the Cosmic Beings, pouring forth their radiation to the earth." These are so vital to be fixed in the vision of mankind and tremendously enhance and bless the class [89] work.

(Testimony of Max Gysi.)

"All this will come about in perfect Divine Order, for 'I Am' the only acting Presence everywhere." * * *

(Signed) "THE MESSENGERS,
"THE BALLARDS."

I cannot say definitely that this letter is in Mrs. Ballard's handwriting but the subject matter was such that I had only discussed with Mrs. Ballard. After receiving this letter (Government's Exhibit No. 92) I received a Christmas Greeting from Saint Germain. This greeting card was received in evidence as Government's Exhibit No. 93, and was read to the jury by Mr. Lazarus. It was dated December 25, 1934.

"Beloved Brother of Light:

"It is with much joy that I bring to you this greeting of the season and use the opportunity to thank you with sincerest gratitude for your service for the I Am Presence.

"It is indeed a great service you are rendering.

"The Light within you is expanding rapidly and you are drawing closer within your Mighty Presence in your recognition and adoration.

"Let the Fulness of its Perfection fill your world.

"I trust, ere long, we shall meet face to face.

"My love enfolds you always,

"SAINT GERMAIN."

(Testimony of Max Gysi.)

I never met Saint Germain face to face nor in any [90] other manner. Thereafter I received a letter signed "The Messengers, The Ballards," dated December 27, 1934. From the contents I would judge this letter to be from Mr. Ballard. (Tr. Vol. 5, p. 510.)

Exception No. 21

This letter was received in evidence as

GOVERNMENT'S EXHIBIT NO. 94,

subject to the same objections, to-wit: lack of materiality by the defendants. This was a handwritten letter from New York City, dated December 27, 1934, and a portion of it was read to the jury by Mr. Lazarus as follows:

* * * * * * *

"We had a quiet but marvelous Christmas. We were on the Ray from 12:30 noon to 4:30 and Saint Germain dictated one of the most powerful discourses, I think we have so far received. You shall have copy.

"How my heart fills with gratitude for your lovely friendship. I congratulate you on your message from Saint Germain. His last words, he has never said to any one before, at least to my knowledge."

"THE MESSENGERS,
"THE BALLARDS."

* * * * * * *

(Testimony of Max Gysi.)

The Witness: Following the Washington classes Mr. and Mrs. Ballard asked me to help them arrange for lectures in Florida inasmuch as Harry Sieber had been seriously injured. I said I would. Nothing was said about remuneration. For eleven months thereafter I acted as business manager for the Ballards, ceasing such services on November 21, 1935. After leaving Washington I drove to West Palm Beach with the Ballards; thence, we went to Miami. I saw Mrs. Ballard working on a manuscript after we [91] left Miami. At this time subscriptions had been received for a second volume known as "The Magic Presence." I urged on Mrs. Ballard the publication of this second volume. After I saw the manuscript I had conversation with Mrs. Ballard relative thereto. The title of the second volume was fixed by Mrs. Ballard. Mrs. Ballard said she would complete the manuscript for publication as soon as possible. I examined a portion of the manuscript which Mrs. Ballard handed to me. Thereafter, when the second volume was printed, some of the contents were similar to the portion of the manuscript that I had read. When Mrs. Ballard handed me the portions of the manuscript she asked me to look through the same for suggestions or changes or improvements or mistakes that might be there. After going through the manuscript I noticed frequent use of the phrase "The Mighty I Am Presence." This phrase was written in different ways and I suggested it should always be used in a uni-

(Testimony of Max Gysi.)

form manner. When the volume was printed this phrase was made uniform. I also told Mrs. Ballard that in describing the journey that Mr. Ballard had made to India, ports of call were in wrong order. At Mrs. Ballard's suggestion I put the ports of call in proper order, that is to say, in that order in which a traveler from the Mediterranean side—from the European side to India—calls there. In examining the printed volume I noticed that many of them (ports of call) were omitted but those there were in the order suggested.

Thereupon Mr. Neukom read from the following pages of "The Magic Presence," Exhibit No. 4: Pages XI, XII, 12, 132, 175, 177, 179, 225-227, inc., 229, 230, 242, 244, 265, 287, 293, 296 and 370.

The Witness: I also pointed out to Mrs. Ballard that according to the manuscript that she had given me to read, it recited that the car in which Mr. Ballard was traveling descended [92] a little slope and presently entered a temple. The dimensions of the temple were given in the manuscript, the base of the columns about seventy feet high with a cupola at the top. I added the dimensions and pointed out to Mrs. Ballard that this temple would extend above the ground at the level of the desert some 60 to 70 feet. Mrs. Ballard then called Mr. Ballard and repeated what I had said. As the book was published it recited that there was an elevator of some 270 feet and the height of the temple was still about

(Testimony of Max Gysi.)

70 feet, so it was well below ground, as written in the book. (Tr. Vol. 5, p. 540.)

In about April of 1935, the Ballards stated to me that they proposed to go to Europe to spread the I am in Europe. After this discussion I received a letter handed to me by Mrs. Ballard.

The letter was received in evidence as

GOVERNMENT'S EXHIBIT NO. 95,

a portion of which letter, dated April 1, 1935, was read to the jury by Mr. Lazarus as follows:

* * * "The conditions in Europe, at the present time are such that it makes it quite questionable at present"——

Then "at present" is marked out in pen "—as to the advisability of attempting to go abroad this season.

"However, I will endeavor to keep a close watch upon the situation, and let you know if the way is sufficiently clear.

"When these classes are finshed here, the one in San Francisco, and that in Seattle, the principle part of the sinister resistant force to this work will have spent itself, and there will be little or no resistance to this work in the future, except now and then [93] a personality.

"* * * * * * * *

"My love and Blessings enfold you always."

(Signed) "SAINT GERMAIN."

(Testimony of Max Gysi.)

The Witness: On or about April 1, 1935, Mrs. Ballard, in my presence, wrote and signed Government's Exhibit No. 96.

Exception No. 22

This document was received in evidence as

GOVERNMENT'S EXHIBIT NO. 96

over the objection of defendants that it was immaterial. Exception was allowed. This letter was read to the jury by Mr. Lazarus as follows:

"This perfect likeness of the Ascended Jesus Christ was painted by Charles Sindelar of Los Angeles, Calif., and is exactly as I saw him in the visible, tangible body at the Royal Teton one year ago last New Years.

"Jesus came to Mr. Sindelar for twenty-one consecutive days at two o'clock in the morning in his visble body until the painting was completed.

"This picture I know to be real and authentic. We have held the original in our hands, and the power focused through it is tremendous."

(Signed) "G. W. BALLARD
(Godfre Ray King)
"EDNA W. BALLARD
(Lotus Ray King)."

(Testimony of Max Gysi.)

The Witness: Mrs. Ballard told me at this time that this was the first draft of a circular to be issued to sell the picture of the likeness of the Ascended Jesus Christ.

A pamphlet referring to new pictures of the Ascended Masters, Jesus and Saint Germain, was prepared and distributed shortly after the signing of Exhibit No. 96 by Mrs. Ballard. [94]

This pamphlet was received in evidence as Government's Exhibit No. 97. Mr. Lazarus read a portion of this Exhibit, one page three times folded paper, on the front of which appears "The New Pictures of the Ascended Masters, Jesus and Saint Germain."

The Witness: I recall a conversation with the Ballards concerning a booklet called "Your Own Path." This conversation took place at Pass-a-Grille (near Miami). Mr. and Mrs. Ballard and Donald were present. I had received this booklet in the mail and at breakfast read aloud from it. Then I sent for a half dozen or a dozen copies to distribute among friends after the Ballards had apparently approved as they stated they thought the extracts I read were very fine. Then I gave them to friends and I used to write a little inscription on the first page. Thereafter, I received a communication from Saint Germain, but not delivered by Saint Germain personally. This document was received on or about June 19, 1935.

(Testimony of Max Gysi.)

This document was received in evidence as

GOVERNMENT'S EXHIBIT NO. 98,

and was read to the jury by Mr. Lazarus. This Exhibit was typewritten in red ink. (Tr. Vol. 5, pp. 551 and 552.)

"Yellowstone National Park
"Old Faithful Inn

"June 19, 1935

"Beloved Brother of the Light
"My Dear Max:

"I think it very unwise to hand out anything more published by the SUN PUBLISHING COMPANY, as it encourages people to be misled by the great amount of untruth that is given through that activity.

"Most students do not know how to discriminate and when you hand out something [95] they take it as authority and I am sure you do not wish to take the responsibility.

"To recommend and call to the attention of your friends and students UNVEILED MYSTERIES, THE MAGIC PRESENCE, and THE 'I AM' DISCOURSES and the BOOK OF AFFIRMATIONS when it is ready will be the greatest service you can ever render to any human being and can only bring you happiness and good in return.

(Testimony of Max Gysi.)

"I would suggest that you read UNVEILED MYSTERIES and THE MAGIC PRESENCE thoroughly as soon as it is possible for you to do so.

"With all the love of my heart,

"SAINT GERMAIN

"P. S. I am deeply grateful for your unselfish service and it is expanding that Light within which will one day give you great satisfaction."

The Government then read extracts from the Government's Exhibit 12, page 4; Exhibit 28, pages 18 and 20, and from Exhibit 8, page 374.

The witness was then shown a document entitled "Total Amount of Books, Charts and Pictures Sold from April 4, 1935, to September 1, 1935," and stated he received it from Mrs. Mundy.

Exception No. 23

This document was received in evidence as

GOVERNMENT'S EXHIBIT 99,

over the objection of defendants on the ground of immateriality and irrelevancy and upon the further ground of hearsay. Mr. Lazarus thereupon read the following figures from the last page of said Exhibit 99, said page being headed "Recapitulation":

1,237 Unveiled Mysteries	at 2.50	$ 3,902.50
659 Magic Presence	at 2.75	1,812.25
1,031 I Am Discourses	at 2.75	2,835.25
979 Charts	at 1.00	979.00

(Testimony of Max Gysi.)

154 St. Germain Pictures	at	2.00	308.00
292 Large Jesus Pictures	at	2.00	584.00
454 Small Jesus Pictures	at	.50	274.00
730 Seals	at	.10	73.00
Total			$10,768.00
Wholesale sales, less 30%			283.33
Cost sales			15.75
			$11,067.08"

The Witness: I had a discussion with Mrs. Ballard about the possibility of a Chicago class in 1935. I received at about that time a letter from Mrs. Ballard in San Diego. It was on July 27, 1935, at 10:15 P. M.

Exception No. 24

Said letter was received in evidence as

GOVERNMENT'S EXHIBIT NO. 100,

over the objection of defendants on the ground of immateriality. Exception was allowed. A portion of this letter was read to the jury by Mr. Lazarus as follows:

"Hotel Figueroa
Los Angeles, California

July 6, 1935

"Saint Germain:

* * * * * * *

"Classes"

"Take a class of four days in Chicago on your way east because with the work they have

(Testimony of Max Gysi.)

had, the explanation with the chart will cover most of the ground needful. * * *

"In the future, keep your plans to yourselves. * * *

"The books will go forward with greater and greater speed; THE MAGIC PRESENCE is fulfilling its plan wonderfully for everyone is feeling its greater power and that which it reveals. * * *

"I think it wiser to re-edit UNVEILED MYSTERIES and [97] make it uniform with the others.

"I think it may be necessary for Max to see Chicago students in arranging for the proper place in Chicago for he knows what is required. Four days will fulfill all that is necessary.

"I am tremendously gratified with the accomplishment and reception of THE MAGIC PRESENCE and thank you all for your effort in bringing it about."

"Radio"

"The activity over the air will accomplish tremendous things. It will be easy to bring in the 'I AM' for the protection of America and that if enough American people could understand how to bring the 'I Am' into action, all their problems would be solved in a way inconceivable to the outer activity. The readers of UNVEILED MYSTERIES and THE

(Testimony of Max Gysi.)

MAGIC PRESENCE were finding the solutions to their problems individually and naturally. This would bring about the greatest help possible.

"TO THE OFFICIAL FAMILY"

* * * * * * *

"I think it best for my picture to be sold at the class, through Saint Germain Press, and the Sindelars. It can only bring good and blessing and cannot bring anything but good to me. It is quite all right with me. The need is to get the attention of humanity upon the Ascended Masters the 'I AM' PRESENCE and I think it quite right to confine its sale to these channels.

"Mr. Sindelar is a remarkable instru- [98] ment and has produced the likeness of Jesus and myself in a very wonderful manner. I believe he will be able to produce the likeness of Nada quite as perfect and also that of the GREAT DIVINE DIRECTOR.

"The true likeness of the GREAT DIVINE DIRECTOR and the attention of the students upon even as they know of him today would do tremendous things for America."

* * * * * * *

"Tetons"

"When you (EWB) stood on the int alone in the Grand Canyon, a tremendous ray was then established." * * *

(Testimony of Max Gysi.)

The Witness: After receiving this letter Mrs. Ballard told me that there would be no class in Chicago. I pointed out that Saint Germain had directed me to form a Chicago class but she replied that there would be no Chicago class. I did not hold such Chicago class. I had discussions with the Ballards about the hotel that they might stay in while in New York City. Thereafter I received a letter with the name "Saint Germain" on it. I did not receive the letter from Saint Germain, it came from Mrs. Ballard—the envelope in which it was enclosed was in her handwriting.

Said letter was received in evidence as

GOVERNMENT'S EXHIBIT NO. 101,

a portion of which was read to the jury by Mr. Lazarus as follows:

"October 3, 1935

"Mr. Max Gysi, Beloved Brother of 'Light':

* * * "Let naught of human creation cause one moment's discord to register within your [99] consciousness or feeling, then you will see how easy it is to release into action the powers of your "Mighty I Am Presence'.", * * *

(Signed) "SAINT GERMAIN."

The Witness: I prepared receipts for love gifts received November 8 to 17, and also love gifts and special funds, Boston, October 18 to 27, 1935. I

(Testimony of Max Gysi.)

handed to Mr. Ballard the amounts referred to therein.

Said receipts were received in evidence as Government's Exhibit No. 102, and Mr. Lazarus read from this Exhibit, the second page, "Love Gifts and Special Fund, Boston, October 18 to 27, 1935;" also, the first page, "Love Gifts Received in Philadelphia, November 8 to 17, 1935."

The Witness: That money that I turned over to Mr. Ballard did not include any money from sales of books. I also received on various occasions in various cities enclosed envelopes which I addressed to Mr. and Mrs. Ballard and turned over to them without opening.

I left the I Am Organization on November 21, 1935.

Cross Examination

I am 68 years of age. Since retiring as a bank employee in 1928, I have published books for friends to help them along and also published books under my own name. Prior to the time that Mrs. Ballard showed me some of her manuscripts I don't remember whether she knew of my past experience in publishing or not. She undoubtedly knew that I had done some translating in Europe for a man named Steiner. I may have told them I had been engaged in publishing or editing books since the turn of the century. I prepared certain pieces of literature to be circulated among the students—there was nobody else to do it. When the Ballards suggested that I

(Testimony of Max Gysi.)

take over the business as advance agent in January of 1935, they stated my official title [100] was assistant director. Shortly after accepting said position I commenced to prepare circulars and things of that kind which I submitted to the Ballards. I kept copies for a while but destroyed them a long time ago when I left the movement. I probably kept some of the important ones, that is, important from my view point, to show what information those who read with intelligence through what the thing stands for. It was not because of my disagreement with them that I kept certain documents which I thought would reflect adversely to them. Those I kept I turned over to the postal authorities. One letter, Exhibit No. 100, however, instead of turning over to the Postal Department, I sent to a friend, Mr. Bryan. (Tr. Vol. 5, p. 582.)

Exception No. 25

Q. Why did you send it to him (Mr. Bryan)?

Mr. Lazarus: That is immaterial.

Mr. Capnon: I want to show his interest.

The Court: I will sustain the objection. Exception allowed.

The Witness: I did not read, while I was with the movement, the books "Unveiled Mysteries" and "The Magic Presence" I only read parts to see if my corrections had been heeded. The reason for my not doing so was that I did not have time.

(Testimony of Max Gysi.)

I could not say that I believed in the sincerity of the Ballards up until October, 1935. At the beginning I did. Just when I ceased to believe in their sincerity I don't know. It was a gradual process. During the whole of the time that I acted as assistant director and while love gifts were being taken up by me and being turned over to the Ballards I did not believe in the Ballard's sincerity. I would say I became suspicious when letters purportedly from the Ascended Master Saint Germain contradicted one another, such as saying there would be a class in Chicago and then cancelling it, and then saying there would be a trip to Europe and then cancelling that. When I turned [101] over the love gifts received at Philadelphia in November of 1935, I doubted the Ballard's sincerity. The culmination of my disbelief was on November 30, 1935. Even before I became assistant director for the Ballards I had written some publicity for the Boston group of I Am students.

Thereupon the witness identified a document dated July 28, 1935, as one he had transmitted to the Ballards. It was marked for identification as

DEFENDANTS' EXHIBIT "G"

and the side containing purple ink was received in evidence. The letter was read to the jury by Mr. Cannon, counsel for defendants, as follows:

"Many happy returns of the day. May you be with us for many, many years to help and

(Testimony of Max Gysi.)

to bless all who come within the reach of your wonderful books, your "Voice" and your "Thought Power," San Diego, July 28, 1935, Max."

The Witness: Referring to Exhibit No. 4, on page 319, I don't remember "As our cars entered the roadway leading down, the surrounding walls became flooded with that soft white light" * * * as being part of the manuscript. However, the succeeding portion "We traveled along slowly for about twenty minutes" as I recollect it, has been changed as no time was set forth in the manuscript. The amount of that manuscript that was handed to me by Mrs. Ballard was about 50 to 100 pages. The part I read was not the beginning but the middle of the book, or around page 300, in printed form. I did not look at the printed book to see if my corrected suggestions were made; in fact, the first time I looked was within the last few days in Los Angeles. However, I knew that my suggestions had been accepted as the Ballards told me so. I had nothing to do with the sale or distribution of these books but I arranged for all meetings up until November of 1935. I [102] would publish folders announcing the meetings. I never knowingly inserted any false statements in such folders.

Redirect Examination

I did not receive any set compensation for my services. At first I paid my own expenses but later

(Testimony of Max Gysi.)

when the money came in big amounts I received money for expenses from Mr. Ballard. It was on November 20, 1935, that I reached the definite conclusion that the Ballards were not sincere. On November 21, at 8:30 p. m., I received a letter from Mr. Ballard.

Exception No. 26

Said letter was received in evidence as

GOVERNMENT'S EXHIBIT No. 103,

over the objection of defendants that it had no bearing upon the issues of the case and that it was not proper redirect examination. Exception was allowed.

"Philadelphia, Pa. November 19, 1935.

"To Whom It May Concern:

"This letter is to correct the mistakes made by our assistant director, Mr. Max Gysi. He called our students together for our class work and also explained about the precipitation of stones and a diagram about symbols received by a Mrs. Iola Bernard of Los Angeles, Calif. She and a Mr. Wayne Walker, also of Los Angeles, are claiming to be under the direction of Jesus, and the Ascended Master, Saint Germain.

"Saint Germain was with us in person, in the Visible, Tangible body in Philadelphia, Thursday November 14, 1935, and said:

'Wayne Walker and Mrs. Bernard are not under the direction of Jesus, Myself, or any

(Testimony of Max Gysi.)

other Ascended Master. The Order of Melchizedek having been [103] mentioned in the Scriptures, and the assertion having been made that Jesus was a Priest of the Order of Melchizedek, has given the sinister force an opportunity to seize upon this to get the 'I AM' students attention away from their PRESENCE.

"'THE STUDENTS OF THE 'I AM' MUST BE WARNED DEFINITELY. THE STONES ARE NOT PRECIPITATED STONES.

"'There has been no REAL OUTER ORDER OF MELCHIZEDEK since the time of Jesus. The INNER ORDER of MELCHIZEDEK has only in its members to-day ASCENDED BEINGS AND WILL ALWAYS BE HELD ON THE 'INNER PLANE' because the work of that Order is finished and is being replaced by the 'MIGHTY I AM PRESENCE.'

"'Neither Wayne Walker nor Mrs. Bernard are members of this order and for anyone to say that their work is of the INNER and my work of the outer shows clearly the claw of the sinister force acting.

"'If I had chosen to have formed an INNER group, I could have done so, but THERE IS NO INNER GROUP OF ANY KIND THAT CAN BE HIGHER OR

(Testimony of Max Gysi.)

MORE OF THE 'INNER' THAN THE 'I AM PRESENCE.'

SAINT GERMAIN"

"Mr. Gysi did this on his own responsibility and we do not sanction it in any way nor would we have done so if we had known it. We feel that [104] Mr. Gysi meant well, but WE KNOW it was a mistake.

"If the students want the 'Light,' ~~ITS PROTECTION AND THE ASSISTANCE OF THE ASCENDED MASTERS~~ THEY MUST SHUT THE DOOR TO ALL BUT THEIR 'MIGHTY I AM PRESENCE,' STAND WITH IT AND IN IT AND HOLD TO IT ONLY.

"WE STAND TO, IN, AND FOR THE 'LIGHT' FOREVER and so must everyone who wants the protection of Saint Germain, Jesus, the Ascended Masters, and ourselves.

"MAY THE FULL LIGHT OF YOUR OWN 'MIGHTY I AM PRESENCE' guide you unerringly forever.

"Please hold this in confidence unless the need of the students demand it and in that case read it to them.

"THE BALLARDS

By .....

.....

The Witness: I had met the Mrs. Iola Bernard referred to in said letter.

(Testimony of Max Gysi.)

Exception No. 27

The witness was allowed to state over the objection of defendants that it was immaterial he had first met Mrs. Bernard in Los Angeles at the Shrine Auditorium in about June of 1935. Exception was allowed.

Q. Will you relate to those of us here what you observed with reference to Mrs. Iola Bernard at that Shrine class in June of 1935 in Los Angeles?

Mr. Cannon: Objected to as being wholly immaterial and outside the issues in this indictment, nor proper redirect. [105]

The objection being overruled, the witness testified:

During said class a figure clothed in white walked up the aisle of the Auditorium, went on the stage behind Mr. Ballard, who was then speaking to Mrs. Ballard, and then Mrs. Ballard held up her hand to the mouth of the white figure, whereupon the white figure went back the same way. After the meeting Mrs. Ballard stated that she had received a precipitated jewel or stone, which stone was shown to me. The person in the white figure was Mrs. Iola Bernard. Later, in Boston, Mrs. Ballard asked me to have the jewel put in a setting, which I did. It was set in gold by a jeweler in Boston. Thereafter I described the incident to students and after so describing the incident to students I received from Mr. Ballard the letter, Government's Exhibit No. 103. This was in Washington. One evening Mr.

(Testimony of Max Gysi.)

Ballard said he had been working on letters for the last two evenings. He then handed me as the letter that he had been working on, Government's Exhibit No. 103. At that time Donald came in and said they were going to the movies and I could not again see Mr. Ballard until about half an hour past noon the following day, at which time I told them that I was disassociating myself from the movement. Mr. Ballard asked me to continue but I refused and resigned voluntarily.

Recross Examination

I am not bitter against the Ballards but I am not in communication with them. I do, however, have a feeling against Mrs. Ballard for continuing to deceive the people. (Tr. Vol. 5, p. 618.)

Exception No. 28

Mr. Cannon: In other words, Mr. Gysi, you have a very definite interest in seeing the Government prevail in this case, haven't you?

Mr. Lazarus: If the Court please, I object to that.

The Court: I will sustain the objection. Exception allowed. [106]

The Witness: It was a surprise to me when Mrs. Bernard appeared on the stage that evening. I had not known her and do not know whether she was a friend of a man by the name of Colonel Bailey. I do not know whether I believed it was

(Testimony of Max Gysi.)

precipitated or not. I had never seen a thing precipitated before and only took Mrs. Ballard's word for it. The statement in the letter (Government's Exhibit No. 103) that I "* * * call my students together for our class work and also explain about the precipitation of stones and a diagram about symbols received by Mrs. Bernard" was not a true statement. I called the students in Boston, Philadelphia, New York and Washington to create interest and fill the halls and I had to tell them some corroboration about the I Am movement which in the course of my tour around the world I had discovered. I mentioned people who had the I Am teachings even before the Ballards had it. I mentioned that I had run across fifteen or more people who had the I Am teachings before they came in touch with the Ballards. I only accepted those where I saw with my own eyes in print the date of other publications. Then after I had withdrawn from the platform, particularly one time in Philadelphia, Mrs. Ballard took the platform and stated "We are the only teachers of the I Am." That, of course, was untrue. I had to tell those students interesting coincidents which related to Mrs. Bernard and that was a symbol which I had given to the movement with the wings and the 'I Am' in the center and of the three flames—not from the platform but to groups of students that I assembled in order to give them a pep talk; I showed them a certain document written, I believe in 1923, which

(Testimony of Max Gysi.)

this Mrs. Bernard had had, the same document that I had received for a symbol for the movement for these circulars which I had printed. I do not know where this document is now but it had the same symbol with the wings and the I Am and the three flames and the date was long [107] prior to the time I first heard of the Ballards—it was about 1923. I would not say it was the same I Am movement of the Ballards but it was a similar drawing. I do not remember whether I mentioned the precipitation of the stone at the Shrine Auditorium to these students in Boston and Philadelphia or not. I don't remember whether I furnished Colonel Bailey a list of the I Am students or not. He was made Los Angeles representative by the Ballards. One day in Los Angeles I had asked Mrs. Ballard for a symbol for the movement but she said she did not have one, so that evening I was riding in the trolley and I drew a rough sketch of wings in a heart shape and I Am on either side and three flames in it, and I showed it to the Ballards. Mrs. Ballard asked where I got it. I said I had sketched it roughly. She said "Well, that is the right symbol." I replied that she had told me she had none to give. She said "That is a good one." I then went to Mr. Sindelar and asked him to draw it. Mr. Sindelar wanted to have the original back the following day from the meeting at which the white figure occurred. Mr. Sindelar was not in the meeting so I went on the steps to look for him but a woman came up and said she knew she would

(Testimony of Max Gysi.)

find him. She proved to be the woman in white of the previous evening. I told her I was waiting for Mr. Sindelar to give him back his original sketch. She said she had had the symbol for many years previous. She said she had proof and would bring it the following evening and it was the following evening that she brought the document dated in the early 20's with the rough sketch of this symbol.

I had never seen the sketch before I drew it. I had faith in the I Am movement up until the time I resigned. I did not work for money but for love's sake.

Redirect Examination

At the time I was interested in the I Am I was not [108] otherwise engaged. I had been and was interested in movements of a spiritual kind. (Tr. Vol. 5, p. 637.)

HARRY N. ROGERS,

was called as a witness on behalf of the Government and testified as follows: (Tr. Vol. 6, p. 645.)

I am married, live in Los Angeles, and first met Mr. and Mrs. Ballard in the spring of 1935. I became a member of the I Am movement in April or May of 1935 and continued to be a member until October or November of 1939. My wife, Katherine Rogers, also became identified with the movement. I conducted announcements at the meetings. I first did

(Testimony of Harry N. Rogers.)

this in 1936. My announcements would precede the Ballards speaking at the meetings. At the time I started making the announcements Mr. Ballard stated to me that Mr. David Livingstone had been making the announcements but had not brought in much money and asked me to see what I could do. In the fall I also became associated with the staff. I traveled about with the Ballards from city to city. I discussed with Mr. Ballard from time to time the substance of the announcements that I would make. Mr. Ballard would tell me to stress the sale of one book over another if we were oversupplied with some such books. My announcements covered the general scope of the activity announcing various books and magazines and appealing for funds from those who wished to assist of their own free will to meet financial expenses in connection with the movement and to make radio announcements. I and the Ballards prepared on occasions what was known as "group leader letters." Every such letter I prepared was submitted to Mrs. Ballard in rough form before being sent out. None of such letters were ever sent out without first receiving the approval of Mrs. Ballard. They were sent to group leaders throughout the United States.

Approximately 92 of these letters were marked for identification as Government's Exhibit 104.

In the latter part of 1936 or 1937 in San Francisco at the Sir Francis Drake Hotel in the presence of a group [109] leader, Mrs. Virginia Meyer, tele-

(Testimony of Harry N. Rogers.)

grams from group leaders urging for healing of people in great distress had been received and Mrs. Ballard stated to do the usual thing with them. Then I went back to my room and called to the Great I Am Presence to project the healing rays. At that time I did not see Mrs. Ballard do anything.

On March 13, 1937, a letter was typed at the request of Mr. Ballard which he dictated and which was signed by Mrs. Ballard, myself, P. B. Crouse and E. H. Woodard. Mr. Woodard was an attorney. The signers of this letter had a discussion.

Exception No. 29

Over the objection of defendants that such conversation was hearsay, except as to Mr. Ballard, the witness was permitted to relate the conversation. Exception was allowed. Said conversation was as follows: The conversation dealt with the trip Mr. Woodard was making to Chicago for Mr. Ballard in connection with legal matters.

The letter referred to was marked for identification as Government's Exhibit No. 105.

The Witness: On or about November 29, 1939, I sent a letter to Mr. Ballard from Los Angeles to Washington, D. C. by Air Mail. Therein I enclosed a Cashier's check for $300.

A copy of said letter was marked as Government's Exhibit No. 106 for identification. (This is referred to as Count No. 9 letter.)

(Testimony of Harry N. Rogers.)

The Witness: On or about January 25, 1940, I received a letter addressed to me on the letterhead of the Biltmore Hotel, signed on the typewriter "Mr. G. W. Ballard, Donald Ballard, by Mrs. G. W. Ballard." The letter was signed by Mrs. Ballard. Said letter came to me through the United States mail.

Exception No. 30

Said letter was received in evidence over the objection [110] of the defendants that it was immaterial and irrelevant and no proper foundation had been laid. It was marked Government's Exhibit No. 107 and exception was allowed. This is referred to as Count No. 10 letter. One paragraph from the letter of January 25, 1940,

GOVERNMENT'S EXHIBIT No. 107,

was read to the jury by Mr. Neukom, as follows:

"Mr. Harry N. Rogers,
"Occidental Life Ins. Co.,
"756 So. Spring St.,
"Los Angeles, Calif.

"Dear Harry:

"Having been behind the scenes and knowing something of what goes on, then adding to that the recent experiences we have been thru, we feel you will understand the delay in acknowledging receipt of the two checks you sent,

(Testimony of Harry N. Rogers.)

which represented Love Gifts from your Group, now closed." * * *

By MRS. G. W. BALLARD"

The Witness: On or about July 8, 1936, either Mr. or Mrs. Ballard gave me a letter with the typed name of Saint Germain.

Said letter was received in evidence as

GOVERNMENT'S EXHIBIT No. 108,

and was read to the jury by Mr. Neukom as follows:

"Mr. and Mrs. Harry Rogers,

"My Beloved Ones of the Light:

"I congratulate you both upon the magnificent work done in and for the Shrine Class.

"As you continue to refuse acceptance to appearances and call your 'Mighty I AM Presence' into action will greater and greater [111] be your glory and freedom.

"The Light within both of you is expanding with great speed. Let it never be dimmed by human creation but ever expanding into greater and greater Perfection, your full freedom and achievement."

"Lovingly,

"SAINT GERMAIN."

The Witness: I never received communications signed "Saint Germain" from anyone except Mr. and Mrs. Ballard, that is, typed Saint Germain.

(Testimony of Harry N. Rogers.)

Motion to strike said statement as being a conclusion was made and ruling withheld.

A letter was marked Government's Exhibit No. 109 for identification. This letter was on the stationery of the Benjamin Franklin Hotel, Philadelphia, dated October 31, 1939.

At about this time I had had correspondence with the Ballards at Philadelphia from the Benjamin Franklin Hotel. In this correspondence we commented about my wife Katherine Rogers and Virginia La Ferrera. My wife was no longer in the movement at that time. Virginia La Ferrera, while at one time in the movement, was not in at the time of this correspondence. At that time the Ballards had a Post Office box for Saint Germain Press in Chicago, the number being the same as on Exhibit No. 109. Mr. Sindelar was in the movement at that time. Ratana Hendrickson was in the movement at that time. I received Exhibit No. 109 for identification through the mail.

Exception No. 31

In response to a question as to whether the witness recalled whether the envelope in which said letter was contained had the name of the sender thereon, the witness stated he never received a letter where such name was not on the envelope. [112] Then the following question was asked: "In this particular instance is it your best recollection that the name of the Ballards was contained on the out-

(Testimony of Harry N. Rogers.)

side of the envelope?" The answer was "Yes, sir."

Thereupon defendants moved to strike on the ground that the question called for the assumption of inferences and speculations and that sufficient foundation was not laid. The answer was allowed to stand and exception taken.

The Witness: I had received letters from the Ballards with typing thereon in large and purple type.

Exception No. 32

Over the objection that no proper foundation had been laid, said letter was received in evidence as

GOVERNMENT'S EXHIBIT 109.

(This was the Count 5 letter.) Exception allowed.

This letter was read to the jury by Mr. Neukom, as follows:

"The Benjamin Franklin
"Chestnut at Ninth Street
"Philadelphia
"Oct. 31, 1939.

"Mr. Harry N. Rogers
"353 Van Ness Ave.,
"Los Angeles, Calif.

"Mr. Rogers:

"In continuing your Group, it must be understood that Sanat Kumara, the Divine Director and Myself release all the students from their promise to stand by your Group. That was

(Testimony of Harry N. Rogers.)

only intended to be while you were serving on the Staff of the Messengers.

"Since you are there, you must take the full responsibility in your call to your 'Mighty I AM Presence' for your money supply. [113]

"Not one dime more shall be contributed to Catherine Rogers or Virginia La Ferrera's support by the students. Any student who does this against My Wish automatically dismisses himself or herself from this Light!

"All Love Gifts for the Group Leader's Letter, which will soon be under way again must be sent to the Saint Germain Press, P. O. Box 1133, Chicago, Illinois.

"All Love Gifts for the preparation and conducting of the coming Los Angeles class at the Shrine Auditorium, for the stage, flowers, decorations, expenses, etc. must be handed or sent to the group of individuals selected for that purpose to carry out the direction of Ratana and Sindelars, whom I have selected to take charge of the coming Class in Los Angeles.

"Copies of this letter will be sent to Ratana and the Sindelars. I ask you and them to read it at three consecutive Group Meetings immediately upon your receiving it, so all may understand My Wishes."

"SAINT GERMAIN"

(Testimony of Harry N. Rogers.)

Cross Examination

I did not receive a salary while with the Ballards. During three years of service I did receive a portion of the love gifts amounting to approximately $5,000. In addition, all my expenses of traveling were paid as were also the expenses of Mrs. Rogers, who was a singer. After I ceased to be a staff member in July, 1939, I continued to hold classes and read from the statements in the books and magazines. Sometimes Mr. and Mrs. Ballard, in addition to myself, would say something at the [114] meetings relative to the making of love gifts or voluntary donations. I made the announcement about finances in order to raise funds to promulgate the movement. It seemed to me that the money was used for this purpose. Prior to becoming associated with the I Am I was an inheritance tax expert with the New York Life Insurance Company. Out of the moneys received from the sale of magazines and books, from love gifts and voluntary donations, the expenses were paid of renting halls, publications and the expenses of living of the staff from place to place. (Tr. Vol. 6, p. 697.)

A file of letters was introduced in evidence as

DEFENDANTS' EXHIBIT "H."

These letters, Exhibit No. "H", were written by me, that is, the originals of them, on or about the dates they bear.

(Testimony of Harry N. Rogers.)

The first letter dated February 1, 1937, at Los Angeles, California, marked "Copy" at the top, was read to the jury by Mr. Cannon as follows:

"Mr. Lee Shippey,

"The Times,

"Los Angeles, California.

"Dear Sir:

"When men and women fill the Shrine Auditorium twice daily for ten days, as they did during the period from December 23rd to January 2nd, to listen to a man and woman expound a Law of Life,

"When the desire for seats is so great that the huge auditorium seating some 7,000 people is practically filled an hour before the lectures start,

"When this experience is duplicated in major cities throughout the United States as [115] it has been in San Francisco, Seattle, Cleveland, Detroit, New York, Boston, Washington, D. C., and other cities,

"When nearly three hundred thousand people throughout our land are followers of this teaching which is affecting their lives and that of the nation,

"When these audiences are made up of people who are intelligent, dignified, happy, well-groomed, well-dressed, well-mannered, and from all walks of life,

(Testimony of Harry N. Rogers.)

"When this activity is carried on with no advertising, no publicity, no ballyhoo, no dramatics, no spectacular bids for attention,

"*When no money is solicited,* no schemes are promoted, no politics indulged in, and no propaganda is offered against any individuals, creeds, sects or political parties,

"When this activity is ever-expanding and self-sustaining, yet has no organization, no by-laws, no membership, no dues, no committees, and no officers,

"When thousands in Los Angeles and vicinity gather together every week to study and practice its teachings,

"Then it is time that our city and the country and the world knew more about it.

"I have attended the meetings and found the general atmosphere one of happiness, prosperity, kindliness and reverence. [116]

"The talks and activities engaged in are of a nature that commands the utmost respect whether one conforms or not.

"The ideals stood for, the ideas put forth, and the teachings of the speakers are based on a code of such high standing that they cannot be challenged by anyone on the grounds of morals, ethics or patriotism. In fact, I have never heard precepts of such integrity and demands for such personal purity advanced by any other group.

(Testimony of Harry N. Rogers.)

"Quiet, profound, dignified, sincere determination characterizes the whole proceedings, and it is a movement to be definitely reckoned with in the future of our land.

"To you whose column has ever stood for all that is fine and who have always shown interest in activities that are an influence on the public life of our city and Nation, and yet outside the routine news channels, I call attention to this movement.

"This is no effort on my part to convince, convert or proselyte. I simply say to you, 'Here is something going on in our world that is an increasingly important activity for its betterment. Watch it! Learn about it! And contact its leaders, Mr. and Mrs. G. W. Ballard, who are two of the most astounding personalities of our day.

"They are at present holding a ten day class at the Scottish Rite Cathedral in San Francisco from January 23rd to February 6th. [117]

"The 'Times' Sunday Magazine on May 22, 1932 had an article about a mysterious people who live near Mt. Shasta. Mr. Ballard's experiences as related in his book 'Unveiled Mysteries' (Pen name Godfrey Ray King), also had their inception at that point.

"If this is interesting to you and you care to look into it further, you will find much to reward your time.

"Yours very truly,"

(Testimony of Harry N. Rogers.)

I wrote the notation at the bottom of said letter of February 1, 1927, as follows: "This is a copy of a letter sent to the 'Times' by a business man who attended the Shrine Class to investigate for himself the 'I AM' Activity, and his findings."

The next letter in this group, dated October 21, 1939, was read to the jury by Mr. Cannon as follows:

"353 North Van Ness Avenue,
"Los Angeles, Calif.

"Mr. Stack, Manager
"Care of Women's Club,
"57th Street near Ninth Avenue,
"New York City, N. Y.

"Dear Mr. Stack:

"You will remember me as being on the staff of Mr. and Mrs. G. W. Ballard. I happen to be the husband of Catherine Rogers, who was the soloist for them at the musical held in your auditorium last Spring and a year ago.

"I understand that Mrs. Rogers wrote you a letter in which she says she resigned from the staff of Mr. and Mrs. Ballard and other things in her attempt to prevent Mr. [118] and Mrs. Ballard getting the use of your auditorium. Will you believe me when I tell you that she was dismissed absolutely, by the Ascended Master Saint Germain, from having anything more to do with this magnificent Activity, because she

(Testimony of Harry N. Rogers.)

turned so bitter toward Mr. and Mrs. Ballard and would not do the things which He was teaching us all to do to rise out of the conditions of today.

"Mr. and Mrs. Ballard are carrying on the most magnificent Activity ever known for the Freedom and Protection of America. I am back of them with every ounce of my ability. They are endeavoring to carry on the most gigantic endeavor ever brought forth, in order to teach the American people that the ONLY way out of these frightful conditions facing the very existence of all mankind, is to call to a Power far above the human, the Ascended Masters, in the way that under the Cosmic Law permits Them to come to our rescue. About three million or more of the finest people in our land are applying this great Law, which will outpicture ere many months in the most startling manner.

"It is very unfortunate that because of lack of control of her feelings and personal human retaliation, Mrs. Rogers should do this. I ask forgiveness for her. I ask your assistance to Mr. and Mrs. Ballard in showing them every courtesy at your command. America needs them as no other two people, you will find out in [119] the months ahead. I would appreciate it very

(Testimony of Harry N. Rogers.)

much if you would be kind enough to send me a copy of Mrs. Rogers letter to you.

"Thanking you,

"Sincerely,

"HARRY N. ROGERS."

The next letter in this Group, dated December 21, 1939, addressed to Mr. G. W. Ballard, Biltmore Hotel, Los Angeles, was read to the jury by Mr. Cannon as follows:

"Dear One:

"Just a note to send you, Lotus & Don & all, my love and greetings. I call for your Invincible Protection and Supply many times each day, & that such Harmony can be maintained at the Shrine class that Saint Germain & others can step through to prove to all the students the truth & reality of the wonderful message you have been carrying to all mankind.

"It has been my happiness to render a service on various occasions to the Light since my termination. It has spread everywhere that even though Harry was dismissed he is just as loyal as always & does all he can to hold all the students in line, & to remain loyal to Saint Germain, to you & this Great Light. This stand has prevented a number of things from taking place in different parts of the nation. I have had no meetings of any kind, so no student would be

(Testimony of Harry N. Rogers.)

tempted to be around me, nor have I sought contact with anyone. When they have contacted me, I have turned them right back to this Light, [120]Saint Germain & urged them to be even more loyal to you blessed ones than ever before.

"Needless to say I would like to have a few minutes with you while you are in Los Angeles. Knowing how rushed you are before classes I have made no attempt to reach you, as I would not intrude on you for anything. When and as we might be able to get together, it would be best to drop me a note care of Occidental Life Insurance Co., 756 So. Spring St., addressed:— Harry N. Rogers, Agent, & they in turn will see that it reaches me. Oh, for the day to come when there can be no more human qualities acting in anybody, so no misunderstanding can ever take place between any of God's children!

"Dear One, I love you & bless you for all you have done. May the Infinite Blessings of Eternal Light drench you, blessed Lotus, Don, Margery, the staff & all those who are carrying on now & forever.

"Always in the service of the Light——

"HARRY

"Merry Christmas!"

The next letter in this Group, dated January 10, 1940, addressed to Claire Dickey, Child of Light—Crusader of Old, was read to the jury by Mr. Cannon as follows: (Tr. Vol. 6, p. 707.)

(Testimony of Harry N. Rogers.)

"Bless your precious, darlin' heart for the beautiful letter which has just reached me. Oh, what a Happy New Year it makes for me! And that generous love gift! I call to the Great Giver to amplify it ten million times [121] and put it into your hands and use RIGHT NOW and FOREVER to give you such limitless supply and Perfection of every good thing you will not have room to receive it!!!

"Dear One, you have no idea what your letter means to me at this moment! How little I imagined that ANY student was even giving me a thought. And I have stayed away and avoided my closest friends to help them to be obedient, going in channels where there were no students. But morning and night, I stand on my feet and call, and call and call for the Protection, Perfection and Limitless Supply for All the students all over the planet! and particularly for Mama, Daddy and Don, and all their near and dear ones! And to think that Blessed Daddy is Ascended now!!! FREE, FOREVER FREE from all earth's hardships and unhappiness!!! I keep my love pouring to him in a mighty stream that NEVER stops. And the last thing I did when my great groups were being disbanded was to have everybody stand on their feet and issue a wondrous call for Mama, Daddy and Don, for all they have done for all mankind down through the ages past and present.

(Testimony of Harry N. Rogers.)

That Great Call will go on FOREVER in action for their blessing. I urged everyone to remain loyal to Mama, Daddy and Don, and Saint Germain, and not to let any human sympathy for any person sway them for the fraction of a second, and urged them to go at once to other Groups as if nothing had changed whatsoever. [122]

"Yes, dear one, I AM still loyal to Saint Germain, and the Messengers and the Light—and whenever anyone comes to see me, or write to me, or phone to me, I turn them right back into the LIGHT. I have gone back into the insurance business where I had been for 17 years before entering the 'I AM' Activity. Had I remained in the business for the past 3 years, completing 20 years of service, I would have received a MONTHLY INCOME FOR MY ENTIRE LIFETIME—but I even gave that up to serve. Now I have the Joy and opportunity to start in right at the very bottom again without one single regret, and only love and gratitude in my heart for everybody and everything! How happy it makes me to know you are so loyal to Saint Germain and the beloved Messengers. Keep it up! You bet your boots I am teaching the kiddies about the 'Presence' and you should see my little Celeste (age 6) and I in our morning Contemplation! What a sur-

(Testimony of Harry N. Rogers.)

prise it would be to a lot of even the students. Dear One of Light, bless you forever for your sweet letter of encouragement and love gift! May the Infinite Blessings of Eternal Light be yours NOW and FOREVER! Sincerely in the Light,

"HARRY N. ROGERS."

The next letter in this Group, dated February 6, 1940, addressed to Mrs. G. W. Ballard, Biltmore Hotel, Los Angeles, California, was read to the jury by Mr. Cannon as follows: (Tr. Vol. 6, p. 710.) [123]

"Dear One:

"Among other things it has been told me that certain 'I AM' students have spread the report that Harry Rogers has turned bitterly against the Activity and the Messengers. It sounds so silly it hardly is worthy of any comment. But the thought came it might be nice to let you hear direct from me so you would know first hand EXACTLY what is what. Also it is said that we have had meetings in our own home projecting suggestions against the Activity, etc. etc. It actually makes me laugh it is so funny.

"Since the last meeting of my Wilshire Group, Nov. 12, '39 I have NOT had a meeting of ANY kind! Hundreds pleaded with me to start a Class of my own. I rejected every plea!

(Testimony of Harry N. Rogers.)

and made it very plain that I had no such intention, and would remain just as loyal to this Light, to Saint Germain and you blessed Ones as theretofore. I pleaded with all the students to do the same—and still do! I pleaded with them to go at once to Ratana's Temple, the Sindelar's, Frank Lanning's or wherever they felt most at home, and to lose no time in doing it, and still do!

"Many things had to be done that seemingly were not easy to do. In my call to my 'Mighty I AM Presence' I have tried to do the thing that seemed right at all times, and still do! Several times each day I call to be shown by my own 'Presence' exactly what I should do [124] to help straighten out any unfinished affairs that concern the Activity in any manner whatsoever. I know that I will be shown—and it will be done!

"In order to disabuse any students clinging to me with even their deep love as to my real intentions, I plunged into business and have let everyone know I have no time to discuss even things that were not easy to understand. Many letters have come to me, and still do, from all over the nation, and outside Nations, asking me what they should do, etc. etc. My answer has ALWAYS been to stand loyal and faithful to this Light, Saint Germain, and to you, Daddy and Don, and to not let anything swerve them

(Testimony of Harry N. Rogers.)

for the fraction of a moment! Such letters still keep coming. Attached is a carbon copy of my answer to one such letter. You may read it, and see EXACTLY what sort of a letter I generally write. My attitude apparently prevented several law suits against you and Daddy for which I rejoice.

"One day, some four months ago, Catherine met Bryan in the market. We have known him for many years in the Rosicrucian days. He was preparing another book against you, Daddy and the activity. She had quite a talk with him and apparently persuaded him to NOT publish the book. It has never come out, and I believe and hope it never will. Obviously you do not know these things that both of us have tried to do to help this Great Cause in whatever humble way we could. [125] So when we hear these silly reports about us, you can imagine how funny it is to us. It is possible the report concerning myself got started because I would always avoid the students at every possible opportunity—but I did this trying to help them to be obedient—the same as Catherine did. There are many things which could be written, but this is enough to let you know direct from me EXACTLY what is what!

"A few days ago I came across the checks which Catherine and I made out on June 22, 1938 in our hope that we could make a sub-

(Testimony of Harry N. Rogers.)

stantial Love Gift to the Saint Germain Press and you and Daddy. Each check was for $2,500, each written out exactly as if to be paid, the way you and Daddy used to do. Well, 'I AM' the Presence of Limitless Supply of Money and Every Good Thing that sees to it those two checks ARE paid, RIGHT NOW! So, please accept with all the love of our hearts $5,000 en route to you RIGHT NOW! Who knows how soon it will appear! At least, you see the intention and Love that is in our hearts! We also made out a check of $1,000 to the Wilshire Group. Though the Group is no longer in existence, I shall see to it, that those checks of $2,000 are paid into the Activity along with the checks to you! What a happy day that will be for us all!

"Dear One, may the Limitless Gifts of Eternal Light from the Great Central Sun flood you, Daddy, Don, and all your near and dear ones [126] with such Limitless Opulence of money and every good thing that you have not room to receive it, now and forever! With the deepest love of my heart, to you, Don, Margery, and all

"HARRY N. ROGERS."

The Witness: The total amount of money I put into the movement was not $500; how much I do not know—we gave everything we possessed. I gave

(Testimony of Harry N. Rogers.)

up a position which would have given me a life income for the rest of my days. We took 10 per cent of the gross to give to them of everything we took in and out of the $5,000 or so that they gave us over the three years, we gave back 10 to 40 per cent. They said they were giving their all into it so we thought we would do the same. I thought they were giving their all to it. Those two $2500 checks referred to in a letter were never paid. In one of these letters when I referred to the phrase "I called to the Mighty I Am Presence" I meant a call, silent or verbal, to God, who I understood to be the Mighty I Am Presence. When I made out the checks for $2500 each and sent them to the Ballards I expected that money would be available to pay them sooner or later because one of the teachings of the Ballards was that when they were without funds they often did this and with only one exception the checks were all paid over a period of years. In other words, it was through faith. I intended this $5,000 to be used to carry on the activity. I had very little other income than I received from the Ballards while working for the movement.

As part of said same Exhibit "H" the witness testified he wrote a letter dated February 2, 1940, which was also read to the jury by Mr. Cannon as follows: (Tr. Vol. 6, p. 723.)

(Testimony of Harry N. Rogers.)

"506 N. Plymouth Blvd.
"Los Angeles, Calif. [127]
"Feb. 2, 1940.

"Blessed One of the Light:

"This is the first opportunity that I have had to answer your letter of Jan. 26. In answer to your inquiry 'Is the 'I AM' the right way, the real way?' my answer is unequivocably 'YES.' By all means stick to it for dear Life and to the 'I AM' Activity, and please back up the Study Groups and Mrs. Ballard and Don in every way you can! I plead with you and your husband to do this!

"The mere fact that the writer is no longer directly connected with the Activity openly, does not mean that he is any less loyal or sincere than at the very beginning. As a matter of fact, I am just as earnest and sincere to try to do my part now as at any time in the past, as thousands have found out already, regardless of some silly reports that have been spread.

"I believe with all my heart that Mr. and Mrs. Ballard have told the absolute Truth about the Ascended Master Saint Germain being back of them and the 'I AM' Activity. I take the attitude that while certain things are not easy to understand nevertheless Saint Germain knows what is best, and I am willing to comply with what He says. It has been my very great pleas-

(Testimony of Harry N. Rogers.)

ure to help hold hundreds of students in line the past few months. While the writer hopes to see Saint Germain some day the same as you do, he keeps faith because of a deep Inner Conviction that it is all TRUE, exactly as the beloved Messengers have represented. And unknown to them, both Mrs. Rogers and myself have rendered several services which may [128] have had far reaching effects for the Activity. One day Mrs. Rogers met Bryan in the market, and having known him in years past, she persuaded him to discontinue his efforts to put out another book against Mr. and Mrs. Ballard and the Activity which was then in the process. This was about four months ago.

"Surely, dear ones, if we do such things as these, it should encourage you to 'stick by the ship.' I believe by a deep Inner Conviction that Mr. Ballard did make the Ascension, exactly as Mrs. Ballard describes. Comments of people to the contrary do not interest me the slightest. I make my daily application every day, as in the past, and NEVER fail. I never lose an opportunity to let the whole world know that I am just as loyal to them, to Saint Germain, and the 'I AM' Activity as in the previous years. I urge both of you to be faithful too, believing you will have ample reason to rejoice. With my heart's deepest love,

"Sincerely,

"HARRY N. ROGERS."

(Testimony of Harry N. Rogers.)

The Witness: As long as I was with the Ballards they never told me that Saint Germain communicated with any other persons than through them. I never heard the Ballards or either of them say that they had the power to heal. Essentially the whole idea was predicated upon the theory that one must call upon the Mighty I Am Presence to project on them the healing ray and make them well. I believed this and still do.

Redirect Examination

I read all the books put out by the I Am movement and all the magazines up to the time I left the movement. When I [129] wrote the letters contained in defendants' Exhibit "H" I believed the principles enunciated in said books and magazines and in the teachings of Mr. and Mrs. Ballard. When addressing some of the meetings I, on many occasions, read from the letter containing comments about the Shrine Auditorium. I still believe in the spiritual truths that were taught. When I was dismissed from the movement in November of 1939 I received a dismissal letter, that is, a telegram with the typed name "Saint Germain." Since then I have not talked with Mrs. Ballard. My wife was dismissed in the latter part of June 1939. Though I remarked in one of my letters about the ascension of Mr. Ballard, I did not see the ascension but read about it in the magazine "The Voice of I Am."

(Testimony of Harry N. Rogers.)

Recross Examination

I took the ascension of Mr. Ballard for granted. I believed it. I believed the statements contained in the letter referred to, the men who wrote comments about the Shrine Auditorium, but they were a little exaggerated. Nevertheless, I gave them out to the meetings as bona fide.

Redirect Examination

I was not present at Mr. Ballard's last illness nor did I attend his funeral.

MRS. MARGARET HUNTLEY SCHALL

was called as a witness on behalf of the Government and testified as follows: (Tr. Vol. 6, p. 742.)

I live in Merwyn, Maryland. I am the widow of the late Senator Thomas D. Schall from Minnesota. He was known as the "blind" Senator. I met Mrs. Ballard in November of 1935 during classes in Washington. Prior to that time I had heard of the Ballards through a leaflet coming in Mr. Schall's mail. At this meeting the first thing that came to my attention, Mr. Ballard blessed the pocketbooks of everyone present with the supply [130] of money that was to be never absent and never too late. Then Mrs. Ballard said that if you would follow the teachings in the books and faithfully perform the advice given you would be able to heal blindness, deafness,

(Testimony of Mrs. Margaret Huntley Schall.)
amputated limbs could be restored and any affliction of any internal organ could be cured. After class I talked to Mr. and Mrs. Ballard. I told her that Senator Schall had been blind for many years and asked her what to do. I told her I knew nothing about it except what I had read in the two books. She told me to visualize a ray of light from His Mighty I Am Presence down through the top of his head and turning at right angles and going to his eyes and that this would cure his blindness along with his attendance at classes and reading the books and following out the doctrines in the books. I attended additional lectures in 1935 in Washington, D. C. Dictations were received while I attended the meetings. Mrs. Ballard explained them as a natural proceeding, saying they were letters of light flashed by the Ascended Masters before Mr. Ballard's eyes and he read them. (Tr. Vol. 6, p. 746.)

Mr. Lazarus read portions from Government's Exhibit No. 29 "The Voice" magazine September, 1937 issue, at page 21.

Mr. Lazarus then read from "Ascended Master Light", Government's Exhibit No. 8, at pages 86 and 87. The heading of the excerpt was "Cyclopea's Discourse, New York City, New York, October 10, 1937."

The Government then by stipulation read a portion of Government's Exhibit No. 48 for identification, being an excerpt from "The Voice" at page 14. It was a dictation of the Beloved Master Jesus

(Testimony of Mrs. Margaret Huntley Schall.)
given in the I Am Reading Room, Oakland, California, February 15, 1939.

The Witness: My husband and I began reading the I Am books in October and on the 21st of December (1935) he was struck by an automobile and passed away. We had followed the teachings [131] contained in the books in an endeavor to cure the Senator's blindness. The Senator was not cured of his blindness. Thereafter I continued to follow the Ballard movement through various cities of the country. I moved from Washington, D. C. to Minneapolis, Minnesota, and then to Los Angeles, California. Mrs. Ballard had suggested during her class that when the ascended masters took over at the incoming golden age which was past due, that Los Angeles would be the city of Light, the new Jerusalem, and it was already in form over Los Angeles and ready to be lowered into place, the buildings and everything completed.

The Government then read into evidence from Government's Exhibit No. 15, an excerpt at page 15 from "The Voice" magazine, part of the discourse given by the Great Divine Director in Los Angeles, June 17, 1936. [132]

Exception No. 33

The books and magazines previously marked for identification as Government's Exhibits 6, 7, 8 and 10 to 64, inclusive, were received in evidence over the objection of the defendants that they were im-

(Testimony of Mrs. Margaret Huntley Schall.)

material. No objection was made by the defense that said books and magazines were those of the I AM movement and had been properly identified. Exception was allowed.

The Witness: I moved to Los Angeles on January 2, 1937 and remained until June of 1938 just before the Shrine class. My association with the Ballards continued from October 1935 to June 1938. During my association with the Ballard organization, I attended classes at Pasadena, Long Beach, Hollywood, Glendale, on Figueroa Street, the Wilshire Group, and a small number of neighborhood groups besides the Shrine classes. I attended these meetings practically every afternoon and evening, sometimes Saturdays and always Sundays. I contributed money as love gifts during my attendance, except at the first class. There were both classes and group meetings. The Ballards would talk before group meetings but the group meetings were designated by the names of the group leaders. The class meetings were conducted by the Ballards in different cities. The substantial contributions that I made were $100 in March of 1937 to the Pan Pacific class in San Francisco; then $100 to the Shrine class in June; at Washington I gave $100 and $50 for my daughter. I sent $250 by mail to a class in Kansas City. From the first, precipitation was one of the subjects talked about by Mr. and Mrs. Ballard. All these representations made by the Ballards were substantially the same.

(Testimony of Mrs. Margaret Huntley Schall.)

Voir Dire Examination by Defendants

When the Ballards spoke about precipitation sometimes they read from articles, particularly from thirty-three dictations from Saint Germain in which the subject was discussed.

Direct Examination

Mr. Lazarus read from Government's Exhibit 5, Discourse [133] No. 10 of Saint Germain, dated November 3, 1932, pages 118 and 119.

The Witness: Referring to Discourse No. 10, at pages 118 and 119, in Government's Exhibit 5, I do not know whether Mrs. Ballard read this or not but I have read it over thirty times. Mrs. Ballard said that through precipitation it was quite possible to keep spots off of clothing; that she always wore light gowns and called on the Mighty I Am to keep the spots off. Mrs. Ballard also said if you want money, jewels or an automobile, or whatever you want, the Mighty I Am Presence will give it to you. Mrs. Ballard also said that if you looked into the atmosphere on a bright day you would see sparkles of light. She explained that that was the substance the Ascended Masters used to precipitate, such as jewels, diamonds, a pearl necklace, a diamond necklace, a full banquet with dishes and food, and tablecloths of great fineness. Many times these precipitations were expounded as real and actual. From 1935 up to 1938 I accepted the teachings with increasing belief as I came to understand them. To

(Testimony of Mrs. Margaret Huntley Schall.)

the best of my ability I followed the precepts. I read all the books published by Saint Germain Press, Inc. up to the time I left the movement and also the magazines. I spent all my time from arising to retiring in connection with the movement. I spent the mornings reading and decreeing the books and publications. I recall reading in the books and magazines that it was just as easy to precipitate $10,000 as 10 cents; also, that if you want money, then follows a decree to precipitate money. If you want health, then follows a decree for health. I actually believed that I would be able to accomplish physical precipitation. Mr. Lazarus read from the foreword and the first chapter of "Unveiled Mysteries", Government's Exhibit 89. (Tr. Vol. 6, p. 775.) Representations concerning the same caused me to buy the various books of Saint Germain Press and caused me to remain in the I Am move- [134] ment and contribute love gifts. During my association with the movement the Ballards made statements to the effect that the various books and magazines conveyed the understanding of the movement and that it was essential that the students have these books in order to attain freedom and ascension. I recall reading in "The Voice" magazine, February 1936 issue, Government's Exhibit 10, the discourse given by "Jesus the Christ", at page 9 thereof. Pages 7, 8 and 9 of said exhibit were read by Mr. Lazarus. I have heard the Ballards mention that the ascended masters appeared physically, vis-

(Testimony of Mrs. Margaret Huntley Schall.)

ibly and tangibly so that students could see them. Mrs. Ballard said that as soon as the students attained sufficient harmony in their feelings that the ascended masters would come forth in their physical bodies; that Jesus wanted to come forth just as badly as the students wanted to have Him. She stated many times that Saint Germain came before the Ballards in a visible and tangible body and walked the streets of this or that city. She said at class the masters were liable to come forth at any time.

Exception No. 34

Government's Exhibit 104 (contained in a black looseleaf binder) for identification was received in evidence over the objection of defendants that it was not binding upon any of the defendants and on the ground that it was immaterial. The objection to foundation was waived. Exception was allowed.

Exception No. 35

Over the objection that the document spoke for itself and that it was calling for a conclusion and was argumentative, the witness was permitted to testify that the dictation given by Jesus as contained in Group Leaders' letter of December 19, 1937, page 2 of said Exhibit 104, contained language exactly the same or similar to that which she had testified to concerning the appearance of ascended masters in their visible, tangible form. Exception

(Testimony of Mrs. Margaret Huntley Schall.)

was allowed. Mr. Lazarus thereupon read from said [135] page 2 of Group Leaders' letter of December 19, 1937.

The Witness: Mrs. Ballard explained the failure of ascended masters to appear was due to lack of harmony and feeling of the students.

During my association with the movement I purchased three of the Saint Germain Press books in Washington and a small book called "I Am Affirmations and Adorations". In Minneapolis I purchased a number of such to give away; also, a set for a group in Minneapolis; and then I subscribed to the magazines that were sent by mail. In California I purchased each group as it came out. I purchased one set for myself and one for my daughter. I purchased the autographed book at San Francisco and I gave away many separate volumes. I mailed a set to a friend in Mississippi. I had a pile of all publications of the magazine which I gave away to people who came to the door. The Ballards stated the more that were given away the quicker would come the freedom and protection of America.

Mrs. Ballard said not to lend the books because the radiation of another person might affect them, that if one wanted to lend books, to have a separate set for lending. I paid the full purchase price for all these books. The first small book was $1.00 and the remaining books were $3.75. The autographed book was one autographed by Mr. Ballard after

(Testimony of Mrs. Margaret Huntley Schall.)

Mr. Rogers stated that Saint Germain had given Mr. Ballard permission to autograph new books so that the radiation would be pure. Mr. Rogers stated that he could not waste Saint Germain's strength on having the small books autographed. While Mr. Ballard was autographing the books, a little girl came with a small book and Mr. Vonderhoya said something to her and the little girl hugged the book and walked on down the line and Mr. Ballard took it and looked at the book and the little girl and signed it. (Tr. Vol. 6, p. 825.)

During my association, the Ballards referred to [136] cataclysms. At a Washington class an evening was devoted to showing pictures of discarnate entities and ascended masters; then a flat map of both hemispheres showing the path of gas belts that had caused previous cataclysms and was endangering the present world. A portion of it, shaped like a bear, went over Europe and Mrs. Ballard said that this was the cause of conditions in Europe at the present time. She said that only the calls of the I Am students kept this vortex from spreading over America. She said the gas belts were the accumulation of the discordance energy created by bad and evil thoughts; that they gathered beneath the earth and discord on the earth would cause them to come bursting forth. Again, in San Francisco Mr. Ballard said that before the Messengers came to San Francisco the city was in great danger; that a tidal wave was due to burst upon the western coast

(Testimony of Mrs. Margaret Huntley Schall.)

and calls of the I Am students stopped it. Then Mr. Ballard said that the Great Divine Director had said that the golden age must come in even if it must be preceded by a cataclysm. Numerous references were made from the platform and from the books and magazines by the Ballards that there was an imminence of a cataclysm. These things relative to cataclysm that I heard are the same in substance to the article in Government's Exhibit 29, September 1937 issue of "The Voice", at page 3, headed "Saint Germain's Discourse, San Francisco Class". Mr. Lazarus read therefrom.

The Court addressed the jury as follows:

"Now, gentlemen, here is the issue in this case:

"First, the defendants in this case made certain representations of belief in a divinity and in a supernatural power. Some of the teachings of the defendants, representations, might seem extremely improbable to a great many people. For instance, the appearance of Jesus to dictate some of the works that we have had introduced in evidence, as testified to here at the opening transcription, or shaking hands with Jesus, to some people that [137] might seem highly improbable.

"I point that out as one of the many statements.

"Whether that is true or not is not the concern of this Court and is not the concern of the jury—and they are going to be told so in their instructions. As far as this Court sees the issue, it is immaterial what these defendants preached or wrote

(Testimony of Mrs. Margaret Huntley Schall.)

or taught in their classes. They are not going to be permitted to speculate on the actuality of the happening of those incidents. Now, I think I have made that as clear as I can. Therefore, the religious beliefs of these defendants cannot be an issue in this court.

"The issue is: Did these defendants honestly and in good faith believe those things? If they did, they should be acquitted. I cannot make it any clearer than that.

"If these defendants did not believe those things, they did not believe that Jesus came down and dictated, or that Saint Germain came down and dictated, did not believe the things that they wrote, the things that they preached, but used the mail for the purpose of getting money, the jury should find them guilty.

"Therefore, gentlemen, religion cannot come into this case. I want to assure Judge Armstrong and the defendants and the Government that it will not be permitted to come in.

"Now, we take up the third point, so there is going to be no misunderstanding so far as the Court is concerned.

"No attack can be made, therefore, on whether or not these things happened, but when you have a program or you have certain representations set out, you have got to show what they were. And the defendants, I assume, from counsel and counsel's statements with reference to the books and pamph-

(Testimony of Mrs. Margaret Huntley Schall.)

lets, have not so far withdrawn a single word of what they have written or what they have preached. The defendants, so far as I can gather it from the case, although they haven't started to put it in, are standing on [138] the whole—not program, but the whole conception (I think that is a better word)—the whole conception of their relationship with the deity or, as it is used here, with the I Am Presence.

"Now, gentlemen, that is going to be made so clear to this jury that they are not going to misunderstand it. And that is the whole case.

"Now, of course, gentlemen, the degree of proof, burden of proof beyond a reasonable doubt and the fact the defendants are clothed with the presumption of innocence which stays with them during the trial and all of those different principles of law will be covered more completely and thoroughly in the Court's instructions to you at the conclusion of the trial. So that what I have said now, if you will please bear it in mind and carry it into the instructions, a part of which may be repeated, but don't isolate this from the instructions."

The Witness Mrs. Schall Continued: During my adherence to the movement, the Ballards from time to time stated that the black magicians were persons who had made a study of the law of life to such an extent that they were very dangerous when they strayed from the path; that they had powers and physical bodies and were living on a physical plane

(Testimony of Mrs. Margaret Huntley Schall.)

and were able to do a great deal of harm. In the early part of 1936 Mr. Ballard stated that Saint Germain said that the last of the black magicians had been seized, bound and removed. Thereafter Mr. Ballard stated in San Francisco that the night before 53 black magicians had been seized, bound and removed and that Mrs. Ballard had been present and witnessed the seizing, the binding and the removing. Then again Mr. Ballard said that a dictation had been given by Astrea to the effect that the preceding evening a black magician was seized, bound and removed who was responsible for the discord among Christian Scientists; that this last dictation was the same as contained in Government's Exhibit 8 ("Ascended Master Light"), at page 139. Mr. [139] Lazarus read therefrom. There was one further reference by Mr. Ballard in a Pasadena dictation before the Ratana group in which the Great Tenor said that last night a black magician was destroyed in Pasadena, who was responsible for the dope condition. (Tr. Vol. 7, p. 844.)

During the period of my association with Mr. and Mrs. Ballard they stated that Mr. Schall's blindness could be healed. At the first class in Chicago that I attended Mrs. Ballard stated that they had boxes of letters in their files in Chicago testifying to healings. Many times I heard the Ballards make a statement similar to that contained in Government's Exhibit 55, November 1939 issue of "The Voice", a Discourse of the Beloved Master

(Testimony of Mrs. Margaret Huntley Schall.)
Jesus, dated October 1, 1939, at page 12. Mr. Lazarus read therefrom:

I recall them stating that Jesus had said that the "Messengers in their call had performed thousands more healings than I performed during My ministry." Statements were made similar to that contained in Government's Exhibit 47, the March 1939 issue of "The Voice", a Discourse of the Mighty Victory, contained on pages 6 and 7. Mr. Lazarus read therefrom.

During the time that I had association with the Ballard movement I did not observe any healings which had been made at the call of the messengers. In San Francisco, Mrs. Ballard made the statement that Mr. Ballard's I Am Presence was alert all the time and healings called for in letters would be performed before the letters arrived; that frequently they had received letters saying that the healing was performed before they had had time to get an answer to their letters. At the same meeting, Mr. Ballard told of a woman with a cancerous growth in her throat who came to him and asked him to heal her, and he stated that in his presence this cancerous growth dropped down in her throat and disappeared.

I was present in the Shrine Auditorium in Los Angeles [140] in January of 1938. Donald did not take his customary seat. Mr. and Mrs. Ballard were on the platform, the group was large—the whole downstairs was full. Toward the end of the

(Testimony of Mrs. Margaret Huntley Schall.)
meeting Mrs. Ballard arose and said "Donald and Margery have been kidnapped." Hysteria and pandemonium broke loose. One of the group leaders, Frank Lanning, leapt to his feet and cried out "Saint Germain, protect your pal." Prior to that time I had heard Donald referred to as Saint Germain's little pal.. Mr. Ballard said, "Saint Germain is on guard." Then Mrs. Ballard called on the multitude to give a decree to kill the kidnappers. I stayed after the meeting until a cream colored car drove in with Donald and Margery without a hair disturbed, and I heard one of them say the car had stalled. The next day on the platform I heard Mr. Ballard say that Saint Germain had purposely stalled the car to prevent the kidnapping. Thereafter, I heard a group leader's letter read containing a description of the stalling of the car to keep the kidnappers away.

The witness then identified a group leader's letter dated January 7, 1938, as part of Government's Exhibit 104, pages 2 and 3, as being the group leader's letter that she had heard read. Mr. Lazarus read therefrom:

When I first read the following portion of "Unveiled Mysteries",

> "* * * I wish to say that these experiences are as real and true as mankind's existence on this earth today and that they all occurred during August, September and Octo-

(Testimony of Mrs. Margaret Huntley Schall.)

ber of 1930 upon Mt. Shasta, California, U. S. A.",

I did not believe it but I put that aside until I had read more of the book, and after I had read of Mr. Ballard's fight with the leopard or other wild animal, I was inclined to believe.

After attending the first meetings and the first group meetings and attending classes I accepted the book as the true [141] adventures of Guy W. Ballard.

I believed the contents of the book "The Magic Presence". It was my belief in the truth of the various portions of the forewords of the two books that caused me to purchase them and the remaining books in the series of the Saint Germain Press, Inc. I never doubted that by proper devotion I would be able to physically ascend on my death and it was partly on that belief that I continued to purchase books and to make love gifts, I believed that the Ballards spoke with Saint Germain and other ascended masters in their visible, tangible bodies and that they were made the only messengers in the western world and in part those representations caused me to continue to purchase the books, make love gifts and pay for transcriptions.

I believed that I would learn to actually precipitate tangible objects and that belief led me to purchase the books, continue to donate and make love gifts to the Ballard movement. I heard Mrs. Bal-

(Testimony of Mrs. Margaret Huntley Schall.)

lard make the statement that pillars of light would be established in Los Angeles and other places and that these would be sanctuaries in time of cataclysm where the I Am students would be safe. I believed that statement and it caused me to continue to attend the I Am meetings and contribute love gifts and buy books. I believed that by constant study of the I Am movement the Ascended Masters would appear before me in their visible, tangible and physical bodies and these beliefs also caused me to continue to study the books, buy the books, attend classes and contribute love gifts. I believed that by constantly studying the books and following the teachings of the movement that I could learn to heal myself and others, as could the Ballards, and this caused me to continue to buy the books and to contribute love gifts. (Tr. Vol. 7, p. 866.)

Mr. Cannon read from Government's Exhibit 5, ("The I Am Discourses"), pages 63 to 68. [142]

Cross Examination

The Witness: Before contacting the Ballards, I read the two books, "Unveiled Mysteries" and "The Magic Presence". I got these books in the Congressional Library in Washington. Mr. Schall had been blind for 27 years. He was 25 when the accident occurred. The principal reason for attending the first Ballard class in Washington was that the leaflet that came to the office stated that the accredited messengers of the ascended masters were shortly to give a discourse on the

(Testimony of Mrs. Margaret Huntley Schall.)
right way to live and it referred to things in which I was interested, so I watched for their coming. Mr. Schall had been to a number of orthodox doctors but they could do nothing for him, saying that the optic nerve had been exploded, but we always had hope. And I dabbled in theosophical subjects before coming in contact with the Ballards. We had tried Christian Science early when Mr. Schall was losing his eyesight. The Christian Science organization said that one had to go around saying that he could see and there was a rumor all over Minneapolis that Mr. Schall could see but he did not regain his eyesight.

I don't recall the name of the man who headed the group in Minneapolis. I think his first name was Al. Outside of passing greetings, the only direct or private conversation I had with the Ballards was in Washington—the first conversation that I have testified to; otherwise, all conversations were public. I think the Ballards contradicted themselves when Mr. Ballard gave a dictation from Saint Germain and said that the last two black magicians had been seized, bound and removed. Subsequent to that a number of black magicians were reported to be seized, bound and removed.

I worked as Mr. Schall's secretary while my husband was living. I don't recall hearing "precipitation" prior to joining the Ballard movement. I don't recall any reference to the subject in my theosophical readings. [143]

(Testimony of Mrs. Margaret Huntley Schall.)

Exception No. 36

Mr. Donnelly: You are familiar with the references in the Holy Bible to the subject of precipitation, are you not?

The Witness: I know what you mean.

Q. Yes.

There are many such references, aren't there, Mrs. Schall?

Mr. Lazarus: If the Court please, I object to this.

The Court: Certainly. I will sustain it. I can't see where it has any reference at all. It certainly is improper cross examination.

Mr. Donnelly: I am sorry, your Honor. Note an exception.

The Witness: I was familiar with the subject of cataclysms before coming into this work. As to when the cataclysm referred to in my direct examination was to occur, Mrs. Ballard said Saint Germain himself did not know but that the golden age was past due and the cataclysm might come at any time. I understand the Mighty I Am Presence to be a localized God over my head, and that I was connected by a cord of light that came down from the top of the head. The cord was the power that beats your heart. It was called the silver cord. In addition to the other things that I have mentioned many other things were taught by the movement, including divine compassion, the principles of brotherly love and the relation of man to his fellow being; that we should

call the Mighty I Am Presence into action for our fellow being. We were taught the freedom of America was our business and we did not leave the rest of the world out either, and that patriotism was a virtue. I was only a student, not a leader or teacher of the movement. I heard the Ballards say, "Don't believe us, prove us." (Tr. Vol. 7, p. 894.)

(Testimony of Mrs. Margaret Huntley Schall.)

I attempted to practice the decrees between October and [144] December 21, 1935, the date of my husband's death. The study groups were conducted by group leaders but the classes were conducted by the Ballards. Sometimes I gave checks and sometimes cash at the class meetings. These gifts were voluntary and free-will offerings of love; I did not speak to the Ballards about them. From my recollection Government's Exhibit 8, "Ascended Master Light", and Government's Exhibit 6, "Ascended Master Discourses" taught of the I Am Presence. I was taught that the I Am Presence was the channel of healing and of precipitation and of ascension. I joined the 100% group of the I Am. I joined both the Rogers and the Ratana 100% group and signed the pledge. When accepted, the applicant was issued a card. Later, the pledge was returned to my possession. Exhibit "I" is substantially the pledge I signed. Thereupon said exhibit was admitted in evidence.

I became a 100% member at the Pan Pacific class in March of 1937. I believe I heard Mrs. Ballard say that the law of precipitation is always in action everywhere in the universe. She said the

(Testimony of Mrs. Margaret Huntley Schall.)

speed of its manifestation is determined by the purity of the individual and the amount of energy and substance gathered by that one's own application. I am familiar with that, that is the catch in it. I have read the discourse "Easter I AM, the Resurrection and the Life" contained in the April edition of "The Voice", Government's Exhibit 12, at page 8. I have read Government's Exhibit 19, "The Voice of the I Am" for November, 1936, particularly the Saint Germain afternoon Discourse at Kansas City given September 27, 1936.

I read Government's Exhibit 14, the portion on page 2 thereof, being from "The Voice of I Am", dated June 1936. Mr. Donnelly read from the foregoing.

I don't recall that the remarks of Mrs. Ballard about not lending one's personal books of "I Am" were compared to the lending of any other personal articles. **[145]**

Redirect Examination

I heard Mrs. Ballard make similar statements to that contained in Government's Exhibit No. 56, "The Voice" magazine for December 1936, pages 13 and 14. Mr. Lazarus read therefrom.

Exception No. 37

Over the objection of defendants that it called for the conclusion of the witness and a comparative statement, Mrs. Schall was permitted to testify that

(Testimony of Mrs. Margaret Huntley Schall.)

she had heard statements of a conflicting nature made by the Ballards such as "Refuse to give acceptance to appearances but accept." Exception taken.

The Witness: I followed the instructions in the 100% pledge to forget everything else that I had studied other than the books of the Saint Germain series.

Exception No. 38

Over the objection of defendants, with exception taken, the witness was permitted to testify that Mrs. Ballard had made statements regarding the acceptance of everything they say without doubt similar to those statements set forth in Government's Exhibit 15, page 39 of the July 1936 issue of "The Voice"; also, the statement in Government's Exhibit 62 in the June 1940 issue of "The Voice" at page 11; and also Government's Exhibit 52, at page 16, of the August 1939 issue of "The Voice". Mr. Lazarus read therefrom

The Witness: I read in "The Ascended Master Light" that there was a distinction between divine compassion and human sympathy. I recall Mrs. Ballard saying that organized charities were not proceeding in the right way. I have a vague memory of her having said that you should call the Presence into action for the unfortunate individuals.

Recross Examination

I am familiar with Government's Exhibit 15 from the July 1936 issue of "The Voice" magazine, at

(Testimony of Mrs. Margaret Huntley Schall.)

page 15. I am familiar with Government's Exhibit 5, "I Am Discourses", the passage relating [146] to divine compassion, appearing at page 74 thereof. Mr. Donnelly read therefrom. In the course of study of I Am, hope, faith and charity were used as names of ascended masters.

Redirect Examination

During the noon recess I hunted for "The Voice" magazine relative to the last two black magicians being seized. I found it—it is in Government's Exhibit 18, the October 1936 issue of "The Voice", at page 22. Mr. Lazarus read therefrom.

Recross Examination

I don't recall Mrs. Ballard referring to a school of three hundred black magicians or to five powerful black magicians. The references I recall are chiefly to the discourses that Mr. Ballard gave. I recall reading Government's Exhibit 18, page 19 of "The Voice" magazine, October 1936 edition. Mr. Donnelly read therefrom. (Tr. Vol. 7, p. 933.)

VIRGINIA L. MEYER

was called as a witness in behalf of the Government and testified as follows:

I reside in San Francisco. I am acquainted with Edna W. Ballard and Donald Ballard, and I knew Guy W. Ballard in his lifetime. I am not acquainted

(Testimony of Virginia L. Meyer.)

with the defendant Louise Majerus. I am acquainted with the defendant Betty O. Mundy. I am not acquainted with the defendant Paul Stickell. I am acquainted with the defendant William J. Cassiere.

I have a small book store and card shop known as "Aloha Metaphysical Book Shop" in San Francisco. I deal in books of a metaphysical and a religious nature. About in 1936 I began to stock books of the Saint Germain Press, Inc. I started to stock the one book "Unveiled Mysteries" before I met the Ballards. I first became affiliated with the Ballard movement in May of 1935 and remained in it about two years. In about 1936 I was given certain work to do among the several San Francisco groups. With Mrs. La Ferrera, her husband, Mr. and Mrs. Ballard, Donald and some [147] young lady, I was present at a place that we had found to take over the I Am meetings. Mr. Ballard approved and blessed the place and named my husband, who was not present, as my assistant, and put Mr. and Mrs. La Ferrera in charge of the musical part. He said the Great Divine Director was speaking through him and he placed the seal of approval on our foreheads.

One time Mr. Ballard came to my shop and I told him that I had been asked repeatedly about the reality of his experiences and that it was said that they were copies from Mr. Spalding's book "The Life and Teachings of the Masters of the Far East." I asked him what I should reply to

(Testimony of Virginia L. Meyer.)

such remarks and he said, "You can tell them that they were similar experiences, the only difference being in location; that mine were at Mount Shasta, whereas Mr. Spalding's were in India, but they were actual experiences."

On one occasion I spoke to Mr. Gysi about allowing only a small percentage regardless of the number of books sold. He said to take it up with the Ballards or to write to Saint Germain Press. I wrote to the Saint Germain Press and it replied that I was getting thirty per cent regardless of the number of books bought, which was customary, but that they would allow me one-third and that amount was allowed. In about 1936 I asked Mrs. Ballard if she could give me a list of suitable books for reading other than Saint Germain series. She gave me a list of about thirty or forty. I had a list she sent me thereof, but I gave it to the Government—one was "Brother of the Third Degree"; another, "Life and Teachings of the Masters of the Far East", Volumes 1 and 2. That was Spalding's book. Others were "The Moon Pool", "Phylos, a Dweller on Two Planets", "Game of Life and How to Play It", "The Impersonal Life" and there were several theosophical books. A few months later I talked to Mrs. Ballard and pointed out to her that an article had come out in "The Voice" magazine stating that only the Saint Germain books would be read and she stated, [148] "Well, it is this way." She then pointed to my bookcase and said, "Over there supposing you

(Testimony of Virginia L. Meyer.)

had a beautiful light and I wanted you to go direct to that light, I don't want you to deviate here nor there, I want you to go straight, direct." I said "Oh, I see the point, you want to accomplish a certain thing and after that is accomplished we can read anything we wish." With that she turned and walked out of the room.

I received a letter dated January 13, 1937, (Government's Exhibit 110), from the Ballards by Betty O. Mundy.

Exception No. 39

Said letter was received in evidence as

GOVERNMENT'S EXHIBIT 110,

over the objection that it was immaterial and hearsay as against all other defendants (other than Mrs. Mundy). Exception. Said letter reads as follows:

"My dear Mrs. Meyers:

"We will soon again be coming to San Francisco, and I thought it might be well to write you early regarding the securing of the workers for the class.

"You may or may not know the class is scheduled for Feb. 4-13 Inc. and it will be just like the others so far as workers are concerned. I will need six (6) Cashiers and about two workers for each Cashier besides; then of course you know about the Ushers and those for handling song books, tickets, etc. The main thing are the Cashiers, for if they are ex-

(Testimony of Virginia L. Meyer.)

perienced it makes the work so much easier for all.

"Coming back to San Francisco seems so easy, for you have always handled things so nicely that it has made my work easy, and I know we will have the same wonderful time this trip.

"I have ordered from Chicago 6,000 folders to be shipped you direct. You will probably not need nearly [149] that many for mailing purposes, but we will use the rest for the class-work, as I did not want to send them here and then have to reship them.

"I do not know when we will arrive, for there are no plans as yet, however, will call and see you when we do arrive. With all our Love and Blessings, and looking forward to again being in San Francisco, I am

"Sincerely yours,

"THE BALLARDS

By BETTY O. MUNDY."

I received the six thousand folders referred to in the letter. Some I mailed out and others I delivered to Mrs. Mundy to be delivered at the Shrine. I received no expense account for mailing these folders. The shop paid the expense. I obtained six cashiers and two workers for each cashier. None of them was paid for his services. I obtained the

(Testimony of Virginia L. Meyer.)

ushers referred to in the letter and they were not paid for their services. In the spring class of 1937 I had a conversation with Mrs. Ballard at the Sir Francis Drake Hotel, Mr. Harry Rogers being present, at which time Mr. Rogers read three telegrams, one from New York, one from Tennessee and one from Kentucky. Each asked for immediate help. Mrs. Ballard told Mr. Rogers, "You know how to answer, say the usual thing." After Mr. Rogers left, Mr. Ballard came to the table. I then mentioned that Anita Rudicell, a woman in San Francisco, had agreed not to hold any more classes if Mrs. Ballard would agree to see her. I asked her to see this woman and she said she had no time, although I offered to give ten minutes of what I had with Mrs. Ballard. She said the reason that Mrs. Rudicell was not to hold any more classes was because she had not contacted the ascended masters at Mount Shasta that she claimed to have contacted. Mrs. Ballard said to me that I didn't know everything about the trouble with Mrs. Rudicell. I said, "No, I don't." She said, "This (is) a [150] matter of sex", and I said "I don't see how sex enters into it." (Tr. Vol. 7, p. 959.) She asked Mr. Ballard to take the platform the following day and to say what she had told him to say regarding this. The next day Mr. Ballard did address the assembled group, all the Ballards being present. Mr. Ballard said that Mrs. Rudicell claimed to have contacted Saint Germain but it was all lies and she was not

(Testimony of Virginia L. Meyer.)

to be believed or trusted; that they, the Ballards, were the only ones who had that connection.

I am acquainted with a Mrs. Pierce who was interested in meeting Mrs. Ballard. I asked Mrs. Ballard to meet Mrs. Pierce, a lady from Sacramento, but she said she didn't have time but finally she said she would see her. When I introduced them, Mrs. Ballard asked her what she wanted—that she was a very busy woman. Mrs. Pierce replied, "Nothing", turned and walked out. I then told Mrs. Ballard that the woman was a very wealthy, influential woman in Sacramento, and she could have helped a great deal. Mrs. Ballard said, "Why didn't you say so?" I replied, "I didn't think it was necessary."

On one occasion Mrs. Mundy said that she had gone with Mrs. Ballard to Arrowhead in the spring of 1937; that Mrs. Ballard went because she had so much work to do and that she wanted to get away so that she could accomplish it. Mrs. Mundy said that she, Mrs. Mundy, sewed, mended, washed and cleaned but that she didn't do it for Mrs. Ballard but for Saint Germain. She said that she was compensated though because on the way home the car broke down and she, Mrs. Mundy, spent her time roaming around enjoying the hills while Mrs. Ballard sat on a log beside the road and wrote the next two discourses for "The Voice".

Donald always gave the invocation at the beginning of each meeting that I attended. Mrs. Mundy

(Testimony of Virginia L. Meyer.)

acted as sort of secretary to Mrs. Ballard and selling the books. Mr. Cassiere held meetings of his own. [151]

As admissible only against the defendant Cassiere, the witness was permitted to state that Mr. Cassiere said he thought the books contained the truth and he wanted us to get them and study them; that he also stated in her shop one day that he wanted her to mail his wife a book at Vallejo and stated that he had written her that if she didn't read the book she need not come and speak to him again; that he said he was one of the accredited messengers.

Cross Examination

The Witness: I got the Ballard books that I stocked in my book store from Saint Germain Press. I came in contact with them by reason of having noticed in a metaphysical magazine, "The Inner Life", a reference to "Unveiled Mysteries". In May of 1935 I first became interested in the I Am movement when Mr. Gysi came to San Francisco and asked me to help him arrange a meeting. At that time I had read part of "Unveiled Mysteries". He asked me to mail notices of the meeting to a list of customers that I had. After I ceased to be an adherent of the I Am movement in 1937 I didn't continue to sell the books at my book store. When I asked Mrs. Ballard for a list of other books that she suggested could be read in connection with the

(Testimony of Virginia L. Meyer.)

movement I did so because I wanted to read them myself, if I had not already done so, so that I could understand Mrs. Ballard's way of thought and also so that I could sell them to my customers.

The document, "Exhibit "J" for identification, looks about like the list Mrs. Ballard gave me. It was not in a folder. It was typed. It did not have the language at the top, "The following books contain constructive material recommended by Mr. and Mrs. G. W. Ballard." It had something like this at the top here, "Here is the list of books requested." Several months later, I again asked Mrs. Ballard for a list of books I might read in connection with the movement and stock in my library. [152] The reason I asked was because I had read a discourse to the effect that we were not to read any other books except those of the Ballards. This was probably in 1936. At this time when Mrs. Ballard answered by pointing at the book case and stating, "Now supposing there is a bright light over there by those books, if I want you to go direct to that light I don't want you to deviate this way or that, I want you to go directly to that light," I was not satisfied with the answer and wondered why she did not explain. But this was not my first disturbing thought. The first disturbing thought was when I talked to Mr. Ballard about the likeness between their book and the Spaldings. That was back in 1935. I was not doubtful of the whole business right from the start, but soon afterwards I began

(Testimony of Virginia L. Meyer.)

searching. When I read about the I Am movement in "The Inner Life", in which the tenets of the I Am were spoken beautifully about, I had confidence in it; also, I had confidence in Mr. Gysi. I had confidence when I heard the Ballards speak from the platform for the first time. I believed Mr. Ballard when he said his experiences at Mount Shasta were real. When I helped without compensation to arrange for six cashiers and two workers to help at the meeting in San Francisco at the request of Mrs. Mundy, as contained in Government's Exhibit 110, I did so because I wanted to believe in the movement. I was earnestly seeking spiritual truth. I brought a great many customers of mine into this movement and I kept earnestly striving to believe as I did not want to take them out until I was positive that it was wrong. I did not do the work of arranging for the cashiers and helpers exactly because I wanted to profit on the sale of books, but I wanted to help too. When I introduced Mrs. Ballard to Mrs. Pierce my faith in the movement was then wavering. My idea in introducing her to Mrs. Pierce was that Mrs. Pierce was influential with many friends in Sacramento and could arrange for a good attendance if Mrs. Ballard would go to Sacramento for a meeting. Mrs. Ballard stated the movement was the law of life, she said it was not a religion. [153]

Mr. Cannon: Knowing that your faith or your belief in this movement was wavering at the time

(Testimony of Virginia L. Meyer.)

you talked to Mrs. Pierce, you still introduced Mrs. Pierce to Mrs. Ballard so Mrs. Ballard could contact Mrs. Pierce's friends in Sacramento?

Mr. Lazarus: Your Honor, may I make this objection to further examination along this line: Mrs. Meyer has been asked repeatedly about wavering in the movement, and I say again we are not trying the movement, and I think it is improper cross examination. It wasn't brought out on direct examination. Faith or lack of faith should be asked as to specific defendants rather than the movement or enterprise.

Mr. Cannon: We will clarify the issues.

May I ask counsel, through your Honor, did he say we are not trying this movement? Do you mean that?

Mr. Lazarus: Why, of course, we are not.

The Court: Just a moment, gentlemen. That has been clarified by this Court twice, and I am not interested in what counsel on either side say about it.

The Witness: I might explain that I have always used the Bible as my guide and I asked Mrs. Ballard if she followed the Bible and she stated that she did not understand the Bible and never read it. That made me a little cautious. That was in 1936 while David Livingston was with them. I mentioned to Mrs. Ballard that I liked Mr. Livingston because he quoted so much from the Bible. Thereafter I continued to follow the movement to see if I

(Testimony of Virginia L. Meyer.)

could add anything further to my faith. The thing that led to the conversation I had with Mrs. Ballard about Mrs. Rudicell was that Mrs. Rudicall had claimed at meetings that she was in contact with the Masters and Mrs. Ballard had asked me to insist to Mrs. Rudicall that she not speak further in San Francisco until the Ballards arrived. When I spoke to Mrs. Rudicell at first she did not want to stop talking but when I pointed out that the Ballards [154] were the leaders and requested it, she said she would if she could have an audience with them when they came to San Francisco. I do not remember hearing Mrs. Ballard say that they accepted the constructive portions of the Bible but not the destructive. (Tr. Vol. 8, p. 1013.)

MURIEL L. BLISS

was called as a witness in behalf of the Government and testified as follows:

I live in Chicago. I met Mrs. Ballard on September 12, 1930 in my sister's book shop in Chicago. I met Mr. Ballard in the late summer of 1932. Prior to that time I had attended home or little informal classes that Mrs. Ballard had conducted. The subject matter discussed at these classes were occult and metaphysical subjects. We started reading Pelley's magazines.

(Testimony of Muriel L. Bliss.)

Exception No. 40

Motion was made by the defendants to strike the statement that at these meetings a general study of occult and metaphysical subjects were had and that readings were had from Pelley's magazines. Said motion was made on the ground that it had no bearing on the issues of the case; that it was not a part of the alleged scheme. The motion was denied and exception taken.

The Witness: Mrs. Ballard also read from some theosophical books. One was "The Fire of Creation" by Van der Lueew; another was "The Life and Teachings of the Masters of the Far East", by Baird T. Spalding. Also, references from "The Masters in the Path", by Leadbetter, and also from "The Impersonal Life" and "The Inner Secret". Also, from "Phylos, a Dweller on Two Planets". She would teach from them different things she wanted to educate us upon. Between the time I met Mrs. Ballard and the time I met Mr. Ballard, Mr. Ballard said that Mrs. Ballard was in California doing research work for the government. I was a member of the I Am movement from its inception to April 29, 1939. I read all the books and magazines put out by Saint Germain Press and taught the [155] principles enunciated therein to classes in Chicago. I was ultimately appointed a messenger of this movement. My first recollection of Mrs. Ballard mentioning the name "Saint Germain" was in the summer of 1932 maybe it was not as early as that. Mrs. Ballard conducted classes in Chicago

(Testimony of Muriel L. Bliss.)

in 1934. At first Mrs. Ballard had the people at her home; then they used my home for classes; then there was a group in Riverside on the west side of Chicago; then there was a class on the west side; then on the south side and then in the loop. From 1932 to 1934 I saw Mr. Ballard at least once a week. I heard read in manuscript form prior to printing "Unveiled Mysteries", "The Magic Presence". In fact, the first three books.

Mr. Neukom: Was it your testimony that you heard all of the manuscripts of the first three books read, or portions of them, there in Chicago?

The Witness: It was my understanding that it was all of all three and Mrs. Ballard read them to us in class, and I have never missed any portion out of the books nor seen anything in the books that I hadn't heard first the manuscript form.

Q. I would like to read to you just some portions from Government's Exhibit 89 in evidence and ask you—I am going to ultimately ask you if you recall that these incidents were read in manuscript form by Mrs. Ballard. I am reading from the bottom of page 18 of Government's Exhibit 89:

"'Come with me, and we will review the pyhsical life in which you used a feminine form in France—wherein you were a singer of splendid accomplishment with a voice of rare beauty and power.'

"Immediately—without the least effort on my part—I stood outside my physical body—seeing

(Testimony of Muriel L. Bliss.)

it clearly—as it reposed upon the ground. I wondered, if it would be safe there on the mountainside, and in [156] answer to my thought, Saint Germain replied:

"'Do not be disturbed. Not a thing in the world can harm your body—while we are away. Observe!'

"Instantly, I saw it surrounded by a White Flame—forming a circle about fifty feet in diameter.

"He placed his right arm around me, and I saw—we were rising rapidly from the ground—but I soon became adjusted to his vibratory action. There was no definite feeling of motion through space, but presently—we looked down upon a village in the south of France, and he continued:

"Here, you were born as an only child—the daughter of a beautiful woman, whose life was an example of Idealism far in advance of the majority in that period. * * *"

Q. Do you recall, Mrs. Bliss, Mrs. Ballard having read that incident prior to the publication of the book "Unveiled Mysteries" in the classes she was conducting in Chicago?

A. Yes, I do; and I recall Mr. Ballard elaborating on it. I remember Mr. Ballard commenting on this passage to the effect that he had met somebody in the physical embodiment who had injured

(Testimony of Muriel L. Bliss.)

him and again injured him in this embodiment, and it was one of the people who were mentioned in the story of "The Magic Presence" but just who it was, I don't remember.

(Mr. Neukom, of Government counsel, read further from Exhibit 89, commencing at page 29.)

The Witness: I remember when Mrs. Ballard was reading from the manuscript that sometimes she would stop and write something and then reread it as corrected and would comment to Mr. Ballard that it should be such and so. These readings occurred at classes to which selected people had been invited. I recall having heard the incident read in manuscript form about the panther and [157] the four little cakes. Either at Christmas in 1932 or 1933 Mrs. Ballard handed me and the rest of the class that we held at my home, three pictures which she said were one of Saint Germain, one of Master Kathumi and one of Master Morya El.

(A picture was received in evidence as Government's Exhibit 111, which was identified by the witness as the picture handed her on that occasion. (Tr. Vol. 8, p. 1032.)

At the time I asked Mrs. Ballard what the script was on either side of the head, she said it was an ancient language and Saint Germain had not told them what was said there. Later I recall another picture of Saint Germain which appeared in one of the books. Later, I think as an Easter offering, I received larger copies of the pictures of Saint

(Testimony of Muriel L. Bliss.)

Germain and the Ascended Master Jesus as published in "Ascended Master Discourses", Government's Exhibit 6, between pages 166 and 167. I heard the discourse read in Chicago in manuscript form pertaining to the precipitation of gold. Shortly after Christmas Day, 1933, I received a letter with the typed signature "Saint Germain" reading as follows:

"Christmas Day 1933

"Mrs. Muriel Bliss

"My dear student:

"I wish to thank you for your gracious kindness in being a focus for the spreading of the 'Light'. My love is a gift to you for that service. Perhaps another Christmas, it may be something seemingly more tangible.

"SAINT GERMAIN."

Mrs. Ballard handed me a letter, which was dated September 28, 1934, as follows: [158]

"Mrs. Muriel Bliss

"Beloved Messenger

of the 'Light':

"It is with great joy that I have the privilege to announce you a Full Messenger of the 'Light,' your probation having been completed.

"Follow your 'Inner Promptings' at all times in the deep acknowledgment of your own 'Mighty I Am Presence.'

(Testimony of Muriel L. Bliss.)

"You are free at all times to follow your 'Inner Promptings.' Do not at any time feel compelled to do anything because of being a Messenger. Let the 'Light' within you direct you always.

"I congratulate you on your great loyalty and sincerity to the 'Light' these Beloved Messengers, and myself. There are great possibilities before you as you stand unwaveringly in the 'Light' of your own 'Mighty I Am Presence.' Feel deeply Its Mighty Reality, Its Invincible Power, Its Divine Wisdom, and Its Full Presence to direct you always.

"It is necessary for you to be subject to my direction through the Ray brought to these Beloved Messengers until such time as it is visible to you in your own 'Presence.'

"I clothe you in my Love and the Ascended Master consciousness forever. In the fulness of the Divine Love of my Being.

"SAINT GERMAIN."

I never saw Saint Germain. At the time I received this letter I had implicit confidence in the teachings of the Ballards and continued to have such until about December of 1939 when I began to have serious doubts—no, I mean 1938 because I quit the movement in April of 1939. I remained in Chicago when the Ballards [159] went on their tour in October of 1934. They did not hold another class

(Testimony of Muriel L. Bliss.)

in Chicago until October 1938, but I saw them when they came to Chicago on business. After I became a messenger I began to teach similar principles to those taught me by the Ballards. I attended classes conducted by the Ballards in various parts of the country. There were about eight or nine of them. Both Ballards participated in conducting these classes. I did not hear Mrs. Ballard use the phrase "Mighty I Am Presence" until after she left Chicago. It was not used in the early classes. I think the first time I contacted the phrase was in printed form, possibly in a little folder I received in 1935 announcing a class. I heard the Ballards comment in the class about ascensions and also read it in the books. A chart was used by the Ballards both in classes conducted by them and by the group leaders and by the appointed messengers. It was offered for sale for $15.00. We carried it in the reading room. The Ballards said that we should have these charts for visualization and that the larger charts carried more radiations than the smaller.

(A chart was received in evidence as Government's Exhibit 112.)

The Ballards used the chart to illustrate and with reference to the ascension. The upper figure is the individualized God self of every living being. Above the head is that being of perfection and light which projects a physical body into re-embodiment upon the earth time and time again until at last it is

(Testimony of Muriel L. Bliss.)

purified and can make the ascension. This presence energizes through this electronic ray of light and gives the force and energy to the physical body that makes it move around. This is the agency sent out by the rays to perform different services. When one understands the teaching, you make a call to the Mighty I Am Presence to surround you with this tube of steely white light. It is to keep out discord of the outer world. Through the same process [160] within that tube, which extends at arm's length and enfolds your aurora, there is placed up from beneath your feet this violet consuming flame which is very real on the inner levels of life and purifies the physical body and the mental and emotional bodies and harmonizes them. Every individual that came into the embodiment must do this constantly as taught by Saint Germain and after a certain amount of that is done and the teachings followed, the violet flame purifies the physical structure. When sufficiently refined and purified it is ready to ascend. Death is the last enemy to overcome. It is not overcome by dying. Consciously and from this side of life the call must be made for the ascension of the physical body. It is your final destiny to be raised physically into that presence. (The witness pointed out on the chart various portions as she so testified.)

Up until the time that they changed it, I was taught that if the cord of light was severed, ascension could not be made because it was an ascension

(Testimony of Muriel L. Bliss.)

in the living physical body. They said that in Mrs. Rayborns' ascension and the ascension of Jesus, they only seemingly took place after death. As to Jesus, they said they taught His ascension but not His death; that Jesus had such power over the physical body that He vibrated out of it and permitted them to kill Him without any suffering at all and then later did what was necessary to raise the body. The same was true as to Mr. Rayborn. They claimed that the physical body upon ascension became levitated. I heard the Ballards announce from the platform on many occasions the same as set forth in the January 1940 issue of "The Voice", Government's Exhibit 57, at page 6, to the effect that an ascension cannot be made after death. Mr. Neukom read therefrom. (Tr. Vol. 8, p. 1050.)

I never saw anybody ascend while I was in the movement although the Ballards said that people had, or were going to ascend from Royal Teton and somewhere in Arabia. I was a member of [161] the one hundred per cent group. I endeavored to live up to the requirements of the application. I believed the Ballards' representations relative to the ascension. When the Ballards left Chicago, Mrs. Ballard asked me to continue reading discourses yet to be read, and then she asked me to make two classes out of a group of names she gave me and to divide the work between Mr. Stickell and myself. In the spring of 1936 I started classes in the loop in Chicago. Then I came to the Shrine class in Los Angeles. Then at Mrs. Ballard's suggestion I

(Testimony of Muriel L. Bliss.)

opened a reading room in Chicago in September of 1936 in the Kimball Hall Building. The work expanded and later we moved into a reading room that had a hall with it which held 450 people. I conducted that until I left the work in April of 1939. My husband and I equipped the reading room and received no reimbursement from the Ballards, except we reimbursed ourselves about $1000 in furniture and the first month's rent.

When I quit Mr. Potter took over the lease which provided for $300 a month. He also reimbursed us for the things in the reading room that he wanted. We received the books from the Saint Germain Press which we sold. I knew Louise Majerus. I ordered books from her and received instructions from her. She told me that her position with Saint Germain was higher than mine; that her position was above that in authority of the appointed messengers. I also purchased articles from the Sindelar studio. We sold charts, the $15.00 size, and the smaller ones. We stocked all the books and all the magazines. Then there were bookmarks and gold rings with the I Am insignia on them and pictures of the Masters and other things. We had copies of the pictures that had been in the magazines. We had some little seals with Saint Germain's and Jesus' heads on them. All these were sold. We received 30% on the books and 20% on the magazines. I devoted all of my time to the enterprise. I paid some of my expenses for traveling from [162] love gifts received by my reading room, none was

(Testimony of Muriel L. Bliss.)

paid by the Ballards. I put back all of the proceeds, whether from love gifts or sale of the books or other articles, into the movement. I made no salary. I read a portion on page 19 of Exhibit 46, the February 1939 issue of "The Voice." (Tr. Vol. 8, p. 1061.)

When we purchased books from the Saint Germain Press we paid cash. The money for this came from love gifts, also the money to pay the rent and other expenses, and we developed the work with chairs and incidental things. We had radio time in Chicago. We obtained the records from the Allied Advertising Agency in Los Angeles. We paid for the radio time out of love gifts and then one lady donated to put on certain programs. The records cost $10 a side, or $20. Mrs. Ballard told me that the transcription money was to be sent to her but cleared through Mr. Dahl. I received the letter dated February 14, 1938, addressed to "Precious Group Leaders,

EXHIBIT 113.

This exhibit was thereupon received in evidence, and reads as follows:

"Kansas City, Mo.,
February 14, 1938.

"Precious Group Leaders:

In re: Radio Broadcasting

"We have just come from Los Angeles, where we checked up with Mr. Dahl all our

(Testimony of Muriel L. Bliss.)

Radio Broadcasting accounts. Since this work is expanding so rapidly we find it necessary to make a few changes in our previous instructions to you.

"Hereafter in making out your checks, please make two checks as follows:

"1. Station time, payable to Allied Adv. Agency, Inc.

"2. Payment of Records, payable to Mrs. G. W. Ballard.

"Mail both checks to Allied Adv. Agency, and Mr. Dahl will then complete his records and send me checks for [163] Records. This is quite important, and it will save us a great deal of unnecessary correspondence and confusion.

"Several have asked if they might announce their classes over the Radio. Where there is a Reading Room which has proven itself and been approved by us, it should be announced, and when people go there to inquire they should be given a list of all Group Leaders with their addresses of Meeting Places, dates and hours, and let the one inquiring choose where they will go.

"Where there is no approved Reading Room, then the name and address of the individual whom we have chosen to handle this Radio Work can simply announce: Call.....(giving their name and address or that of the Group), then follow the same procedure as the

(Testimony of Muriel L. Bliss.)

Reading Room does by having a list of all Group Leaders. This saves much confusion and keeps out all personality. It is not our desire to have any other Group Leader's name or classes announced and this is done only where it cannot be handled otherwise.

* * * * * * *

"We do so appreciate all you have done and we bless you eternally for this service. Don't be discouraged, but just buckle on your Armor of Light a little more firmly, make your application with firm determination and the heavens will open to you, for 'The Light of God never fails,' and you are that Light.

* * * * * * *

"Lovingly,
"THE BALLARDS
"MRS. G. W. BALLARD." [164]

The Witness: Not only did we put all the money back into the movement but put some of our own into it.

Exception No. 41

In support of Count No. 3, there was offered and received in evidence, Government's Exhibit 114, a check for $140, paid to Mrs. Ballard by Mrs. Bliss in conjunction with the purchase of radio records. The witness identified this cancelled check, dated April 3, 1939, stating that it bore the signature of her husband, Arthur F. Bliss, and that it was

(Testimony of Muriel L. Bliss.)

handed to Mrs. Mundy or Mrs. Ballard at Chicago during the April class of 1939; that it was for radio transcriptions; that it was drawn upon the bank account where they kept funds in conjunction with the reading room in Chicago; whereupon the defense stipulated that the Government need not bring in proof that the check cleared and passed through the mails, subject to the same objection theretofore made to each "count" letter and document. The objection was overruled and exception allowed.

Exception No. 42

In support of Count No. 1, there was introduced in evidence as Government's Exhibit 115, a check dated December 20, 1938, to Mrs. Ballard in the sum of $20.00 signed "Muriel L. Bliss", which was sent to Los Angeles from Chicago through the mails, being a Christmas gift to Mrs. Ballard from the independent funds of the witness. It was admitted in evidence over the objection upon the same general ground as to other "count" checks and letters, and upon the further ground that the check does not appear to be in furtherance of any scheme being alleged in the indictment, being only a Christmas gift. The objection was overruled and exception allowed.

Exception No. 43

In support of Count No. 2, there was received in evidence as Government's Exhibit 116, a check in

(Testimony of Muriel L. Bliss.)

the sum of $300, dated February 21, 1939, payable to Mrs. Ballard, signed by Mr. Bliss, which the witness testified was payment for radio transcriptions and sent [165] to Mrs. Ballard from Chicago to Los Angeles by mail; that the signature appearing on the back of the check was that of Mrs. Ballard; that she had seen Mrs. Ballard write on many occasions. Defendants interposed the same general objection as to other "count" letters and documents, the objection being overruled and exception allowed.

Exception No. 44

There was then introduced in evidence as Government's Exhibit 117, a letter dated January 18, 1939, bearing the signature "Mama and Daddy" in Mr. Ballard's handwriting. This letter the witness, Mrs. Bliss, received in the mails. Objection was made by the defendants on the general grounds urged to the "count" checks and documents. The objection was overruled and exception allowed. (By stipulation and order of the Court the specific general objection was not required to be stated to these count checks and letters.)

Exception No. 45

There was next received in evidence as Government's Exhibit 118 (Count 7), a letter dated August 1, 1938, addressed to Mrs. Muriel Bliss, the letter having attached to it a copy of another letter dated

(Testimony of Muriel L. Bliss.)

August 1, 1938, addressed to Mr. Paul Stickell and signed "Saint Germain" by typewriter. This letter was received by Mrs. Bliss through the mails and was received in the envelope to which it was attached. The same general objection to "count" letters was made by the defendants, objection being overruled and exception allowed.

The Witness: I have read Government's Exhibit 17, the September 1936 issue of "The Voice" at page 20. (This was read by Mr. Neukom.) I believed this discourse when it was delivered. I have read Government's Exhibit 58, the February 1940 issue of "The Voice" at page 32, and heard the Ballards deliver the substance thereof from classes. (Mr. Neukom read therefrom.) I believed it when it was so delivered.

I have read Government's Exhibit 46, the February 1939 issue of "The Voice" at page 19, excerpts from the Great Divine Director's [166] Discourse. (Mr. Neukom read therefrom.) The Great Divine Director was one of the Ascended Beings. When I first went with the movement the Ballards said the physical body would be raised in its entirety upon ascension; that there would be no shell, not even any clothing; that it would go into the realm of the present—of this activity above the head, into that vibratory action which was so fast that it was invisible to the physical eyes. That upon ascension the person could come back down to earth and could be visible or invisible at one's own will. A

(Testimony of Muriel L. Bliss.)

mother could make the ascension and come back and take care of her children, if that is what you wanted to do. She was a free being. Later they explained what they called the new dispensation. This came about the last part of 1938. I did not hear the Ballards explain the new dispensation from the platform, I only saw it in print. It was contained in a Group Leader's letter—a January 8, 1939, discourse with regard to the body remaining. It was around this period that I first heard of the new dispensation. On or about December of 1938, or January of 1939, I read or heard the Ballards on the subject matter substantially as set forth in "The Voice" magazine, Government's Exhibit 52, the August 1939 issue, at page 32. (Mr. Neukom thereupon read a portion therefrom.) I have heard the Ballards comment upon many occasions with respect to their ability to heal persons.

The Cosmic Master Ray-O-Light was one of the Ascended Masters. Mr. Neukom read from Government's Exhibit 54, the October 1939 issue of "The Voice", at page 5.

Relative to healing, the Ballards gave instructions and methods that we could apply ourselves. I have seen them give healing treatments. They said that they would have to make application over and over again; that sometimes the imperfection could be removed from the body with one sweep of the hand; other times they would have to do the things they do in healing services for several days to get

(Testimony of Muriel L. Bliss.)

results. I believed in the statement contained in Government's Exhibit 32, the [167] December 1937 issue of "The Voice", at pages 3 and 4, when I read it. I have also heard the Ballards make the statement contained in Government's Exhibit 32, the December 1937 issue of "The Voice", at page 8. Mr. Neukom read from page 8 of this exhibit.

I read the portion of the April 1939 issue of "The Voice" which purports to be a discourse of Jesus in February of 1939. (Government's Exhibit 48, at page 7.) Mr. Neukom read therefrom.

I heard Mr. Ballard say also that he intended to raise the dead; that he had healed the sick many times. While I was in the movement I read Government's Exhibit 16, the August 1936 issue of "The Voice", at page 32. Mr. Neukom read therefrom.

I have heard the Ballards state many times that the answer to anything and everything that might be asked is in these books; that the books were the law for humanity for the next 200 years. I believed these statements at the time. Up until the time I began to have doubts, I believed everything the Ballards said.

Thereupon Saint Germain's Thanksgiving Day Discourse was received in evidence and marked Government's Exhibit 171, and a portion thereof was read by Mr. Neukom.

The Witness: This document was mailed to me by the Ballards shortly after the date it bears. I

(Testimony of Muriel L. Bliss.)

heard the Ballards discuss at classes the subject matter of cataclysms. I heard them set between the 15th and 16th of September, 1936 as the date when a cataclysm was going to occur. I heard Mr. Ballard read the Discourse, Government's Exhibit 29, the September 1937 issue of "The Voice" at page 3, Saint Germain's Discourse at San Francisco. Mr. Neukom read therefrom. I have read in "The Voice" magazine the same article that is set forth as Government's Exhibit 39, the July 1938 issue of "The Voice", at page 11, part of the discourse of the Goddess of Peace. Mr. Neukom read therefrom. I read Government's Exhibit 2, August 22, 1938 Discourse of "Mighty Victory", at pp. 8 and 23. Mr. Neukom read therefrom.

I heard Mrs. Ballard give the authority of the masters; that they never made any mistakes and were not to be criticised, [168] and I believed her. Mrs. Ballard told me that every 24 hours Saint Germain reviewed the record of my thoughts and activities and that all that was necessary for her was to hold me in the light to know all that was going on. I believed this up to less than a year from the time I left the movement.

Beloved Eriel referred to in Government's Exhibit 53 in the September 1939 issue of "The Voice", at page 17, was one of the masters. Mr. Neukom thereupon read from said exhibit. I had read in "The Voice" magazine, the January 1938 issue, the portion set forth at page 3, all in Gov-

(Testimony of Muriel L. Bliss.)

ernment's Exhibit 33. Mr. Neukom read therefrom. I believed the statement when it was issued. Mrs. Ballard stated, and I believed, that the I Am students would be safe in the event of a cataclysm, that is, physically safe.

Thereupon

GOVERNMENT'S EXHIBIT 122

was received in evidence, and reads as follows:

"Monday, August 21, 1933

"Mrs. Muriel Bliss:

"My dearly beloved student: You know the old saying, 'Slips don't count,' in this case it happened to be one down. I am sure you will pardon my little joke, for I assure you, it is more important than my frivolity would seem to indicate.

"You ask me the cause. Therefore, I must tell you the truth. Your discordant aunt was the wedge which intruded into your sacred domain. If you will ask my messenger Mr. B. at your convenience, he will explain to you in detail why.

* * * * * * *

"My child, in your fall, you escaped far more than it would be wise to discuss. Rejoice that it could be as easily remedied. My faithful messenger endeavored to protect you from it, but did not carry quite suf- [169] ficient into the outer."

(Signed) SAINT GERMAIN.

(Testimony of Muriel L. Bliss.)

The Witness: I received this letter on or about the date it bears. It was handed to me by Mrs. Ballard in Chicago. I had previously fallen and broken my arm. I told Mrs. Ballard I had drawn protection about me and wondered how I had failed to protect myself. Then I received this letter.

Thereupon

GOVERNMENT'S EXHIBIT 123

was received in evidence and reads as follows:

"June 13, 1935.

"Blessed Muriel Bliss:

"Beloved Messenger:

"* * * * * * * *

"We are starting Monday morning on a glorious two weeks vacation to Yellowstone, the Tetons, Salt Lake City, Bryce, and Zion Canyons, the Grand Canyon, Boulder Dam, then to Los Angeles where hundreds are anxiously awaiting our arrival. It is all so marvelous, so wonderful.

"The same artist who painted the marvelous picture of Jesus has painted a marvelous picture of Saint Germain just as he is today. He is passing through Chicago today on his way to New York to have the plates made under his supervision and their marvelous reproduction will be available for all the students in two or three weeks. Hand colored similar to Jesus at the same price, $2.00.

(Testimony of Muriel L. Bliss.)

"Kindly tell all your students they can be had from our home through Miss Majerus. How you will love this picture.

"Our love and blessing to your dear self and all the family. Always,

"THE BALLARDS

"Per GODFRE RAY KING." [170]

The Witness: I received the foregoing letter. It is in Mr. Ballard's handwriting.

Thereupon Government's Exhibit 124 was received in evidence.

The Witness: I received this picture of Saint Germain first through the mail from the Ballards. Thereafter I ordered and received some from the Sindelar Studios and Saint Germain Press. I sold them for $2.00 per print.

GOVERNMENT'S EXHIBIT 125

was received in evidence and reads as follows:

"Lake Merritt Hotel, Oakland, California.
February 24, 1939

"Mrs. Muriel Bliss,
"I Am Reading Room,
"Auditorium Hotel,
"430 South Michigan Avenue,
"Chicago, Illinois.

"Dear Muriel:

"Thanks for the check for $300 just received for radio transcriptions. This pays your

(Testimony of Muriel L. Bliss.)

transcriptions up to and including February 28th; thereafter it will be $40 each week.

"We regret not having given you this information sooner, but since Mr. Dahl had made the arrangements personally last August and we at that time had written Miss Majerus at the time the $800 was sent for the 20 weeks, we naturally thought the students understood. However, we are so grateful that your calls brought about the results, and they always will when given with dynamic intensity and feeling.

"We are looking forward to our coming class in Chicago and with 15 days we should just 'mow them down'. [171] The Class here is transcendent and it is such a relief not to have to battle such terrific forces in the outer, for there has been little to contend with here. The harmony and peace is very wonderful, which means much toward the accomplishment in the inner. * * *

"Sincerely yours,

"THE BALLARDS,

By MR. AND MRS. G. W. BALLARD."

The Witness: I received the above letter which bears Mrs. Ballard's signature through the mails. In addition to the proceeds from love gifts, etcetera, I personally put into the movement about $500 upon the belief in the representations of the Ballards. I have heard the Ballards discuss the sub-

(Testimony of Muriel L. Bliss.)

ject matter of precipitation. During the time I was with Mrs. Ballard I heard the discourse about precipitation of gold, the one contained in Government's Exhibit 120. I read the discourse contained in "The Voice" magazine, the March 1939 issue, at page 28, on gold, as delivered by Mr. Ballard (Government's Exhibit 47). Mr. Neukom read from Exhibit 47 and also from Exhibit 59, the March 1940 issue of "The Voice" at page 10.

Mrs. Ballard explained that precipitation is the bringing forth from the all present electronic substance into visible tangible use any object required or desired. That this could be accomplished before ascension but that the way to do it was to first decide upon something you wanted,—then don't tell it to anyone. Quietly make your call. Form a mental picture; that it was through visualization that you could develop and acquire. She suggested that we start with the precipitation of gold. She said it was solidified sunshine and carried a high radiation of blessing; that we could spend it in the natural commercial channels and buy the object, thus blessing the commercial world instead of bringing forth the object. I practiced precipitation between the years 1932 and 1936, sometimes as much as six hours a day. I never accomplished it. I have read from Government's Exhibit 5, the "I Am Discourses", at the bottom of page 97, Saint Germain's Discourse of October 27, 1937. (Mr. Neukom [172] read therefrom.) I believed that statement.

(Testimony of Muriel L. Bliss.)

I never saw the Ballards precipitate anything. I observed Mr. Stickell conducting his classes in my home in 1934 and 1935. I also attended classes he conducted in halls in Chicago and Milwaukee. He lectured on precipitation, also on the subject of ascension. Sometimes he would read from the books and sometimes speak orally. I attended classes conducted by Mr. Cassiere. Mrs. Ballard told me Mr. Stickell had been appointed a messenger by Saint Germain the same evening that I had been appointed. I saw brochures, an announcement used by Mr. Stickell and Mr. Cassiere. I have them in Chicago. Mr. Cassiere lectured on precipitation and ascension. Both Mr. Stickell and Mr. Cassiere collected love gifts at their classes.

Cross Examination

I was in the movement before Mr. Stickell or Mr. Cassiere, but not before Miss Majerus; I was before Mrs. Mundy. I was not conscious of any variations that any of us made in explaining these subjects. Mr. Cassiere, Mr. Stickell and Mrs. Mundy and I started teaching about the same time. Up until the time I began to have marked doubts I did not question the sincerity of Mr. Stickell, Mr. Cassiere, Mrs. Mundy and Miss Majerus. Then I began to wonder if they doubted the work the same as I. I don't recall the Ballards using the phrase "The Mighty I Am Presence" until 1935. (Tr. Vol. 9, p. 1235.)

I attended the class. To my best recollection, that

(Testimony of Muriel L. Bliss.)

is, August 1, 1937, at which the discourse referred to in Government's Exhibit 29, "The Voice" at page 5, was read, I did not expect to ascend until I had perfected myself but I expected it soon. I was living to the best of my ability and expected to ascend in the embodiment. I expected before all of God was in me that I would go into all of God. I believed that when the time came, if I was perfect, I would ascend. What I mean is that [173] before I would make an ascension I would be given assistance, most likely by an ascended master; that the completoin of perfection would take place at that time and age would leave one and the body be filled with light. I believed the statements contained in the discourse above referred to (Government's Exhibit 29). That is, I believed that for those who were coming into the light or coming into the work.

I explained the chart as given in the Ballard books. Now that you show me a document addressed to me dated August 21, 1933, which was a letter I received in which it is stated, "Keep your beloved daughter enfolded in the Mighty I Am Presence and be at peace," it refreshes my recollection. Apparently my memory has not been exact. That was after the "Unveiled Mysteries" had been started in reading. I know that that was not used in discourse and I had thought it was not until later that the whole phrase was used.

When I heard the Ballards say that the answer to everything was in the books that was needed for ascension and to use the powers that were in the

(Testimony of Muriel L. Bliss.)

books, I understood exactly that and not that they were either in the book or that a method was given in the books by which the answers could be obtained. I did testify the other day in answer to Mr. Neukom: "* * * for the answer to anything and everything that any individual or all individuals on earth can ask is given in them, or the way to obtain it is explained", but I know that the law was in the books.

I remember being told the subject matter of the "I Am Discourses" in Exhibit 5 of the Government, at pages 97 and 99, pertaining to precipitation of gold. It is not true that the precipitation we were taught is nothing more than if you thought of a thing and created it in your imagination, such constant thought constitutes the means to accomplish it. Precipitation was not limited to gold. In precipitating I used to sit up straight with [174] both feet on the floor, hold my hands in a receiving position, as I had been taught, then visualize and call the Mighty I Am Presence into action to bring the things into my use. Then I would close my eyes and make an intense effort to see and feel that it was there in my hands. This was the process taught us and much about eliminating doubt and all of that came out later. We were told there would be a time when we would need to bring forth the powers as there would be much hunger and distress by reason of the cataclysm and I was trying to bring it forth so that I could assist myself and others who

(Testimony of Muriel L. Bliss.)

might need food. I believed it but did not practice it much after 1936, as I did not have time for I was conducting the reading room and teaching up to ten classes a week, but I still believed it up until 1938. I never told anybody about the precipitation of an automobile that I knew about. I wrote the letter dated January 4, 1935. (This letter was marked Defendants' Exhibit L for identification.) It was written to the Ballards. When I referred to the precipitation of Don's automobile in that letter, I did not mean it in the form of the law that we were taught it, I used it carelessly. I had reference there to the love that brought it forth. In the same letter when I referred to the $8.00 as being precipitated, it was not precipitation, it was just the way I used the word. It seems I did not use it wisely.

Thereupon said letter was admitted in evidence and marked

DEFENDANTS' EXHIBIT L,

and reads in part as follows:

"Jan. 4, 1935

"Precious Ones:

"* * *

"I am glad. Don is staying with you. You should not be parted and this will be an education for him which may be more important than the classical. His pleasure in that car would have done your hearts good. [175] I doubt if yours can equal his. I am so grateful to the committee and students who, from the

(Testimony of Muriel L. Bliss.)

love of their hearts, precipitated that lovely gift. It is so much more than an automobile because of that.

"* * *

"I am very enthusiastic about establishing here a Saint Germain lending library for the students. I was wondering about it, desiring and working for it, when along came an $8 gift bond on Brentano's as a Christmas present from Mr. Stickell's class. Maybe that wasn't precipitation! I said to it, 'Little piece of paper you are the cornerstone of Saint Germain's library.' So I ordered The Spalding books and The Dweller on Two Planets. Every student must have your books, so later I may get them. But those they should own as text material. One of my beloved boys, a friend of Mr. Ferguson, just called me up all thrilled because he found and bought a copy of Zenia for the library. Oh—bless his heart! Our joy in this work seems out of proportion to the gift at times—but it's just because Love is the gift and the giver, also the receiver. Please bless my library! It is free to the students—as class after class pass thru our hands. The books are only gifts of pure love given by individual students as their hearts and means dictate.

"* * *

"MURIEL BLISS."

(Testimony of Muriel L. Bliss.)

The Witness: When I set up the reading room in September, I got out some publicity.

Defendants' Exhibit M is the form of announcement I got out. That was my own script. Said script was thereupon received in evidence. Mr. Cannon read said announcement to the jury. [176]

I put those quotations from the Bible in. During the course of the lectures the Ballards and the messengers gave, we sometimes quoted from the Bible, and from the New Testament, but little from the Old Testament—Mrs. Ballard objected to that. (Tr. Vol. 9, p. 1261.) When the Ballards were in the city and used our reading room, the proceeds of their meetings were given to them. Each group was financially independent and had no connection with the others, except that we took orders that came out in the Group Letters from the Ballards and of course, from the teachings and books of the Ballards. They did not dismiss me, I quit. There is a distinction between the groups and the classes. As a messenger, I was entitled to conduct classes. Groups were conducted by group leaders. I had a little greater leeway in following the formulated outline of the decrees. After the reading room was established the classes were always in the reading room—before that, in my home. Mrs. Ballard suggested that I put gift boxes out so that the members would be taught to give. I did not compile any of the books that were to be distributed at my reading room.

(Testimony of Muriel L. Bliss.)

(Defendants' Exhibit N for identification was marked.)

I wrote Exhibit N for identification on or about February 13, 1935. The Ballards told me I was to use my own inner promptings in what I did subject to their directions through Saint Germain. In the teachings I assumed no authority. I took my orders from Saint Germain through the Ballards I heard the Ballards say that they had the power in the calling forth of the light to heal. They said that they did the work and everybody would receive the healing if they accepted it. Mr. Ballard said he had had the power of healing since he was 19 years old and they claimed the power to heal people through the different processes of calling the light into action or visualization or using their hands. It was my understanding [177] the person seeking healing had to ask for it and then be receptive in his mental attitude. I don't think it was ever stated that the person had to erase all doubt. They said you could apply this principle yourself. I thought that healing happened instantly on the inner planes but that it might take a while to show through. They claimed they had a very much stronger dynamic call—it might take me a month to call forth the power that they could call forth instantly. I never saw anybody healed instantly, although calls for healing were made by the Ballards in the first

(Testimony of Muriel L. Bliss.)

five or six classes we attended. I still carried the belief in the healing through over five years. I believed the statements contained in Government's Exhibit No. 20, "The Voice" magazine of December 1936. The discourse there relating to healing does not mean that the Ascended Masters did not claim to have the power (to heal) unless the person who wanted to be healed made his call intense and sincere enough to dissolve human discord. It meant that the Ascended Masters had the power to heal but they were only permitted to give so much assistance as we were drawing forth on our own knowledge and confidence and power to call our own Mighty I Am Presence into action to heal. No, the Ballards never said they had more power to heal than the Ascended Masters but that they had more than the students. (Tr. Vol. 9, p. 1292.)

(Two letters, one dated March 7, 1935, and one dated St. Patrick's Day, were marked for identification as Defendants' Exhibit O.)

Mr. Cannon thereupon read the following excerpt from the letter dated March 7, 1935, which letter was marked as part of

DEFENDANTS' EXHIBIT O

for identification:

> "The Presence is governing here and we stand firm in the Light-issuing the decree to the forces of darkness, 'They shall not pass.' Interest and sincerity of purpose maintains here in the classes. Harmony in [178] all its

(Testimony of Muriel L. Bliss.)

perfection manifests, as far as I know or will know. * * *

"God has been mighty good to this child. No confusion at all, just the shortest distance between two points is a straight line—up!

"* * *

"A lady, Mrs. Cashman, at 3750 Sheridan Road has asked me to take a class of four ladies and more if I know of others, in her home some time soon in the afternoon. It seems to be possible. I left it to the Presence to arrange. I am calling upon her for a little 'understanding meeting' tomorrow afternoon. I am deply and humbly grateful to be used as a channel in the Service of the Light. The rewards are tremendous in the face of anything physical, as you so well know.

"* * *

"Mr. Stickell is still with me in both classes. He is precious, loyal and sincere. The library is Saint Germain's own and is growing and blessing. * * *"

Mr. Cannon then read from the other part of Exhibit O, Saint Patrick's Day in the morning:

"Precious ones:

"According to your letter you are leaving for Dallas tomorrow, so I will send this on to greet you, and carry my love and blessing to you there. I was with you in sleep—(Mrs. Bal-

(Testimony of Muriel L. Bliss.)

lard) or else merely dreaming—last night. You seemed mentally occupied with something which seemed to be troubling you. In any event a whole deluge of love and light 'I Am' releasing unto you—just in case it may help in some way—and we know it really does. We were watching hundreds of things like aeroplanes in the air and one was falling. It headed right [179] toward us and we fell flat on the ground. It was huge—but it came to earth between us and it seemed diminutive—not larger than ourselves—and we were saying, 'See what God can do,' etc. I thought perhaps some of my work was wrong or troubling you—later—but you said no. I do so wish my outer would register what it is all about, instead of a vague uneasiness. 'I Am' your protection—and naught unlike the Christ can manifest. 'I Am' my protection too in the strong paths wherein I carry the Light. A new class is forming for Tuesday afternoon in the home of a Mrs. Cashman at 3750 Lake Shore Drive. She knows Mrs. Vorhees—she loves Unveiled Mysteries—she is an earnest, seeking, striving, beautiful soul. She asked me to give the instruction to a few of her friends in her home. I agreed and called upon her. The vibrations about her and her home were not at all unpleasant—but I sensed something which made me vaguely uneasy. Afterwards Mrs. Vorhees told me (she called me

(Testimony of Muriel L. Bliss.)

up, I have not met her) that Mrs. Cashmann's sister-in-law is actively opposed to all metaphysical thought and has asked the prayers of the Catholic Church to "save" Mrs. Cashman. Mrs. C also sees and hears things—not seen by everyone, as does her husband. She said one of these voices told her I could help her. Well, God grant it. * * *

"* * * I would have you know, it is your example 'Lady Ballard' which I follow and seek to emulate in handling mundane matters; and I have never said—'You're a better man than I am, Gunga Din'—to any one before. Right or wrong, I was always dashing away ahead of the others; until I met a brave, courageous, gallant leader yourself—and with God for a friend [180] with the I Am that I am—I can and will carry on without squalkings."

The Witness: I wrote both of those letters contained in Defendants' Exhibit O for identification. The first reference I heard to the chart was when Mr. Ballard stated that some one had drawn a marvelous representation of our relation to our own individualized God-self. Then I heard it discussed from the platform and in classes. I don't remember whether Mr. Rogers mentioned it in the group leader letters. I don't recall Mr. Ballard reading from Ezekiel of the Old Testament a description of the chart. I have heard or read the Chapter, the

(Testimony of Muriel L. Bliss.)

one of Ezekiel, Verses 26 to 28, which have just read to me.

Mr. Cannon read therefrom as follows:

"And above the firmament that was over their heads was the likeness of a throne, was the appearance of a sapphire stone: and upon the likeness of the throne was the likeness as the appearance of a man above upon it.

"And I saw as the colour of amber, as the appearance of fire round about within it, from the appearance of his loins even upward, and from the appearance of his loins even downward, I saw as it were the appearance of fire, and it had brightness round about.

"As the appearance of the bow that is in the cloud in the day of rain, so was the appearance of the brightness round about. This was the appearance of the likeness of the glory of the Lord. And when I saw it, I fell upon my face, and I heard a voice of one that spake."

The Witness: I never connected it in any way with the Ballards or their teachings, and I never received it in print or heard it from the platform. That was first called to my attention by Mr. Stickell who said a Bible student of his had called it to his attention. They always taught that Jesus had ascended with [181] His physical body unto heaven. The only source I heard them use was from "Adina's" letters to her father from the "Prince of the House of David", which Mrs. Ballard said she

(Testimony of Muriel L. Bliss.)

herself had written. I might have heard them tell this matter of ascension, how it applied to Elija in the Old Testament where the Chariot of Fire picked him up off the earth without his passing through death. I don't recall that they called to our attention the episode from the New Testament where the eleven Apostles were in the upper room and the door was closed and Jesus, after His Resurrection, came into the room and manifested Himself. When Mrs. Ballard told me that the Bible was a filthy book and she did not know anything about it and had never read it through, it shocked me, but on the other hand, I had found so many discrepancies in the Bible and I believed Mrs. Ballard so thoroughly, that I did not have any critical thought about such statement. It was explained to me that when the transfiguration takes place, all sense and appearance of age leaves the face and body, the hair returns to its natural color and the clothing dissolves into the Garments of the Higher Octaves. The Ballards so stated before such statement was contained in the chart of the Mighty I Am Presence.

In reply to a question as to whether or not Mrs. Ballard had read from the Bible referring to the transfiguration of Christ, as follows: "And His face did shine as in the sun and His raiment was as white as light", as far as I know, Mrs. Ballard never had a Bible in her hand. She never read anything from the Bible to me. She took a few obscure

(Testimony of Muriel L. Bliss.)

statements from the Bible and used them as catch phrases. When I made up a folder in September of 1936 on which was said "I am the resurrection and the life", I took that from the Bible as did Mrs. Ballard.

I don't know whether Mrs. Ballard made the remark against the Bible before or after this folder of September 1936. It was probably after. It was at a time when all other books, [182] except the Ballard books, were withdrawn from the library and we were told to stick to the Ballard books entirely.

Mr. Cassiere referred to the Bible in his classes. He used it a couple of times to back up things that Saint Germain had said.

Redirect Examination

Mr. Neukom read from Government's Exhibit 10, the February 1936 issue of "The Voice", at page 10.

The Witness: Mrs. Ballard did not give me money to start my Chicago class or to maintain it. I bought the books from the Saint Germain Press.

I have read the July 1936 issue of "The Voice", Government's Exhibit No. 15, at page 29. Mr. Neukom read therefrom.

I read "Unveiled Mysteries" and recall the portion where Saint Germain precipitated the gold coin in the palm of his hand and about the appearance of the goblet and the liquid in the goblet and

(Testimony of Muriel L. Bliss.)

the appearance of the four golden cakes. I read and was told that all of those were actual experiences. I also read the portion about the banquet in said book at page 363, where the banquet and all the service for the meal was precipitated. Nothing in there refers to my cook book because I never did publish it. I also read therein, Government's Exhibit 3 or 89, from "Unveiled Mysteries" at page 51, about the banquet. Lotus Ray King, who purports to write the editor's note in Exhibit 3, "Unveiled Mysteries", is Mrs. Ballard.

I have never seen the messengers heal anybody.

Mr. Neukom read from Government's Exhibit 47, at page 7; also from the August 1939 issue of "The Voice", at page 25; and from the February 1936 issue of "The Voice", Government's Exhibit 10.

Recross Examination

I conducted a few classes outside of Chicago. The [183] love gift collections I made were used to defray the expenses of the hall. I don't recall, on the subject matter of precipitation, whether the Ballards explained at the lectures and classes about the precipitation of the meal when the Master Jesus fed the 5,000 and 3,000. (Tr. Vol. 9, p. 1334.)

DR. NEPHI COTTAM

was called as a witness in behalf of the Government and testified as follows:

I am a licensed chiropractor in California. I reside in Los Angeles. I was so licensed in 1934 and 1935. I met the Ballards, Mr. and Mrs., and Donald, in May of 1935. Shortly afterwards I had occasion to read "Unveiled Mysteries". Thereafter, I had occasion to discuss the Royal Teton Mountains referred to therein with Mr. Ballard. Prior to that time Mr. Ballard had been a patient of mine. My wife and I had been in the habit of taking a trip every year, so I invited Mr. Ballard, his wife and son to be my guests at the Royal Teton Mountains in order that we could attend one of the conferences with the Ascended Masters that he had written about.

I told him I thought it would be an inducement to him if I would pay the expenses. He didn't answer me promptly and the color left his face. He said, "I cannot invite you up there; I haven't the authority; I will have to ask Saint Germain." I said, "Well, let me know tomorrow night." Prior to this conversation I had heard him say that the Ascended Masters met in the inside of the Royal Tetons, also at Mount Shasta. I invited the Ballards to go, not only to the Royal Tetons, but also to Mount Shasta. I had given chiropractic adjustments to Mr. Ballard. The next night I attempted to speak to Mr. Ballard, but he would not speak to me.

(Testimony of Dr. Nephi Cottam.)

Exception No. 46

Over the objection that it was without the scope of the allegations of the indictment, particularly as to page 5, paragraph I thereof, and to which ruling an exception was allowed, [184] the witness was permitted to testify:

The Witness: The nature of my work pertained to the brain and the cranial case. If one side of the brain was heavier than the other, the brain is off-balance and this produces an imbalance throughout the entire body. I then proceeded to adjust Mr. Ballard according to the principles of the imbalance that I had observed in Mr. Ballard's brain and released the brain and produced a balance in the brain and also in the body. Mr. Ballard commented that it was remarkable what had happened by freeing his brain. I observed that Mr. Ballard had a bad case of catarrh—he was cyanose and pasty looking. There was insufficient blood going to his brain. I graduated from the Palmer School of Chiropractic at Davenport, Iowa. I did not have and would not use an M. D. license if I had one. As a chiropractor I treated people for various ailments and diseases of all kinds. I analyze the condition of people, although we are permitted to diagnose. I studied anatomy, physiology, neurology, chemistry, bacteriology, chiropractic jurisprudence and adjustment, nerve tracing, histology and gynecology and obstetrics, hygience and distology. I had postgraduate work at the California Chiropractic Col-

(Testimony of Dr. Nephi Cottam.)

lege. I lectured there on craniopathy, my own discovery. I lectured at practically every osteopathic college in the United States relative to craniopathy. I have also lectured about this subject at the naturepathic convention in St. Louis and at the medical convention in Chicago before all the M. D.'s, that is, before the American Medical Physical Research Society. I have been active in this practice for twenty-six years in Utah and California. Mr. Ballard's right eye was smaller than the left eye, and the right side of the face was smaller than the left; his chest was hollow, the trapesium muscles were small, the shoulders were poorly padded; the liver was hard, the liver, heart and pancreas were congested, and the abdominal cavity was prolapsed and the right leg was shorter than [185] the left, the right hip higher and twisted toward the back. I gave Mr. Ballard two adjustments and Mrs. Ballard two.

(Objection was made within this exception to the foundation of the witness to testify as an expert, The objection was overruled and exception allowed.)

I had a conversation with Mr. Ballard relative to magnetic and electrical energies sometime about 1936, at the time that the audience was getting too big for the Trinity Auditorium and just before they went to the Shrine Auditorium, in which I told him that all humans had electro-magnetic en-

(Testimony of Dr. Nephi Cottam.)

ergy in the body and that through mental projection one could send an electrical current down through the ends of the finger tips across the heads of a full audience and that the audience would feel an electrical charge. Mr. Ballard replied that that was remarkable. A short time afterwards, in a meeting at the Shrine Auditorium, he told his class that Saint Germain had taught him a great many marvelous laws, and stated that he wanted to demonstrate the marvelous power he had been given by Saint Germain. Then he stated that he was sending an electrical charge from his fingers that the audience could feel through their brain.

In about 1935, while they were having classes in the Friday Morning Club, I remarked that since we were living in a Christian country that I thought it would be well to have Christ as a Master and not Saint Germain, whom people had not heard of. The next time I went to the meeting they had a small picture of Christ with a large one of Saint Germain, so I told Mr. Ballard that that would not do, they could not make Christ a secondary individual. The next time I went back they had the picture of Christ just as large as the picture of Saint Germain. Mrs. Ballard was there each time that Mr. Ballard was there at these various classes that I attended. [186]

Cross Examination

When I treated Mr. Ballard he was up and around and walked under his own power. As a

(Testimony of Dr. Nephi Cottam.)

result of my treatment, I improved his line of talks, that is, by my adjustment of his brain. I did not see him after I stopped treating him so I don't know whether he dropped off or not. I only gave him two adjustments on two consecutive days. There was a sudden improvement in his talks. I heard him speak numerous times afterwards. His improvement in his talks went to a climax and then began to deteriorate. I came to the conclusion that this was due to a strain on his mentality, that his brain got off balance again. It is true that as far as face formation is concerned I have never seen a perfect individual, but Mr. Ballard was below average. I recognize a picture of Mr. Ballard in Government's Exhibit 10, the February 1936 issue of "The Voice". The picture shows him much younger than when I saw him, which was in 1935. This picture shows the right eye lower than the left and the nose turned to the right. I adjusted the nose.

(The witness was then shown a picture of Mr. Ballard contained in an issue of "The Voice" of May, 1940, (which is in evidence), and testified that it did not look like Mr. Ballard when he saw him; that it was better because he had been adjusted by the witness.)

It was not while I was giving Mr. Ballard the treatments that I discussed with him the giving of powers to Saint Germain that have heretofore been ascribed to Jesus—it was afterwards. I had attended quite a number of lectures before I had dis-

(Testimony of Dr. Nephi Cottam.)

cussed the Jesus-Saint Germain comparison and had read all three of the books published up to that time. It was right along the first time I met Mr. Ballard that I discussed with him that he ought to put Jesus at the head of his movement and not Saint Germain. I had not read any of the books then. I had not read "Unveiled [187] Mysteries" at that time. I had attended a lot of lectures prior to that time but had never heard the Ballards mention the name "Jesus". He did not tell me when I suggested putting Jesus in with Saint Germain that he could not do that because he had had the actual experiences with Saint Germain. He simply replied to my suggestion, "Well, that m ght be so." When I mentioned the electronic force to him I had read all of the books up until that time.

Mr. Cannon then read from "Unveiled Mysteries" published in 1934, first edition, at page 224, and from Exhibit 17, Saint Germain's Discourse of July 28, 1932, at page 2, and the witness in reply to whether or not that was the substance of what he had told Mr. Ballard in 1935, stated that he, the witness, had shown Mr. Ballard the application of the law. Moreover, the witness said it was not the pineal gland but the pituitary gland that furnishes the electronic energy.

Mr. Cannon also read from Government's Exhibit 5, at page 233, of the I Am Discourse of December 8, 1932 (copy-righted July 20, 1935), and the witness stated in reply to the question as to

(Testimony of Dr. Nephi Cottam.)

whether that was the substance of what the witness had told Mr. Ballard that it was a different application of the thing.

The witness was then asked if there was any question but what he had read "The Magic Presence" at the time he had had this conversation about this electronic force and putting Jesus at the head. The witness replied, "No, I had not read any of them prior to that but it was the first few days that I went there when I told him he ought to have Christ there at the head. It was in May of 1935 that I talked to Mr. Ballard about Jesus." It was stipulated that the first copy of "The Magic Presence" came off the press in June of 1935.

I might have seen the program, Defendants' Exhibit [188] J, which advertised that I would give certain lectures on May 7, May 14, 1935, etc. At the time the program was put out for my lectures having the advertisement of the publications, "Unveiled Mysteries", "Magic Presence", and "The I Am Discourses", on the reverse side, I didn't know the books had been published.

(This program was received in evidence as Defendants' Exhibit J.) (Tr. Vol. 8, p. 1135.)

Redirect Examination

I didn't get this circular out, (Defendants' Exhibit J,) the Advanced Book Store got it out. I was just giving lectures as set forth in the notice. I see my name appears in two places on this exhibit. I was giving lectures in the same building

(Testimony of Dr. Nephi Cottam.)

but at a different hall at the time. At that time I had nothing to do with the I Am movement.

Recross Examination

Thereupon Mr. Cannon read to the jury from Government's Exhibit 96, a letter dated April 21, 1935, stating:

> "This perfect likeness of the Ascended Jesus Christ was painted by Charles Sindelar, Los Angeles, California."

Redirect Examination

I never saw this Government's Exhibit before. I did not know it existed (Exhibit 96).

RICHARD J. PURCELL

was called as a witness in behalf of the Government and testified as follows:

I am a Post Office Inspector, have been such for over eighteen years. I interviewed Edna Ballard in Chicago in April of 1934. This was in connection with what is known as the Killen letters.

(A group of letters were marked Government's Exhibit 119 for identification.)

(Carbon copies of letters on yellow sheets were marked [189] as Government's Exhibit 120 for identification.)

Prior to the time I met Mrs. Ballard I had written a letter to Mr. E. W. Ballard. No—not

(Testimony of Richard J. Purcell.)

"G. W. Ballard",--E. W. Ballard. A few days after that letter Mrs. Ballard appeared at the office of the Post Office Inspector in Chicago and I had a conversation with her. At that time I showed Mrs. Ballard the papers (letters) grouped as Government's Exhibit 120 for identification. I asked Mrs. Ballard if she had any knowledge as to who the "Ray" was who apparently signed these letters.

Exception No. 47

Government's Exhibits 119 and 120 for identification were received in evidence over the objection of defendants that they were hearsay except as to Mrs. Ballard. Exception was allowed.

GOVERNMENT'S EXHIBIT 119

consists of the following letters:

"Chicago, Illinois.
"May 4th, 1933.

"My dear Miss Killen:

"As we have the first manuscript almost ready for the printer, I feel impelled to let you know. Trusting the Mighty I AM Presence has revealed to you the supply needed. I want so much to get it published soon as possible. Not only that the world needs it so much but to give me the needed financial freedom to

(Testimony of Richard J. Purcell.)

carry on giving out these marvelous instructions. The demand grows greater each day.

"I was at Evanston last Saturday night and spoke before a group of delightful people with almost unbelievable response. Already four classes are under way others forming so that ere long it seems all time will be taken but I do want to get the books out first."

* * * [190]

(The letter has no signature on it.)

"Chicago, Illinois.
"May 23, 1933.

"My dear Miss Killen:

"Your letter of the 8th, with its encouragement came O. K. We are working with you very earnestly for the supply.

"The demand is so great for the instructions and humanity need the books so much, that I trust the way will open quickly.

"If you thought the manuscripts wonderful before, you certainly would think them marvelous now since the elaboration. Surely nothing like them has ever been given to the world that is so marvelous a truth.

"There is no question in my mind that you are the right one to have a life income in financing the putting out of the books, for surely such would be the case and an income that would keep you in every comfort.

(Testimony of Richard J. Purcell.)

"Spalding told us last year there had been Two and One Half Million copies of the 'LIFE AND TEACHING OF THE MASTER OF THE FAR EAST' sold. Then surely each one of mine will do as well.

"* * *

"I have had a marvelous experience which I will tell you of in next letter.

"GOD BLESS AND SHOW YOU THE WAY NOW.

"YOUR SINCERE FRIEND,

"RAY." [191]

"Chicago, Ill.
"May 30, 1933.

"My dear Miss Killen:

"Your lovely letter of the 28th, came filled with strength, courage and true understanding. More and more it seems to me certain and right you are the one to be blessed and benefited by your assistance in putting forth the books, they are truly wonderful.

"* * *

"We are giving you every assistance we can in the success of your desire. God in you is your certain victory. I AM the Presence of the money you wish in your hands right now

(Testimony of Richard J. Purcell.)

and I insist it come forth now for this divine service. It is now accomplished.

"God bless you and clothe you with light.

"RAY."

"1620 E. 84th Place
"Chicago, Illinois.
"Aug. 31, 1933

"My dear Miss Killen:

"Your letter of the 24th received * * *

"In some way I cannot explain, I never felt more certain of anything in my life than that you have this money needed in your hands at once. Without effort I live every moment in that firm certain consciousness, which can only come from the 'Mighty' I AM.'

"* * *

"I am enclosing the Discourse of Oct. 17, 32. another wonderful expression of the Truth. It is as though these discourses had been intentionally with held until this time and I doubt not they were. [192]

"The first manuscript is ready to go to the printer and I feel so sure by the time this reaches you the money will be in your hands.

"* * *

"Sincerely,

"RAY."

(Testimony of Richard J. Purcell.)

"July 6th, 1933

"My dear Miss Killen:

"I was delighted to get your letter of the 22nd, but so many wonderful things have been happening I did not get the answer off soon as intended.

"I am so delighted you will have the money for the books it has always seemed to me the Divine plan for I do so much want you to have the benefit of the income I know must come from them.

"* * * I know and rejoice with you that you have the money in your hands now for the books and that it will bring you an income to give you the time and right place to enable you to make and keep that beautiful, wonderful, permanent contact with your Mighty I AM Presence. * * *"

Signed by typewriter "Ray Richards."

"Chicago, Illinois
"Sept. 30, 1933.

"My dear Miss Killen:

"* * *

"Do you have One Hundred Dollars you could spare until the other gets through and then take it out of the amount you send then,

(Testimony of Richard J. Purcell.)

If you have it would help do some necessary things now. I feel so certain we [193] are to be associated in the distribution of the books that I feel free to suggest this.

"* * *

"RAY."

"Chicago, Ill.
"1620 E. 84th Place
"Nov. 5th, 1933.

"My dear Miss Killen:

"Your marvelous letter of the 30th, reached me O. K. You are reaching splendid heights, hold fast to it and all things must obey your decrees. Your experiences are remarkable, beautiful and Real.

"* * *

"All arrangements are made and the first book is ready for the printer I know it must come forth NOW. The abundance of money to put them forth in perfect divine order for all is waiting now for the money.

"I rejoice in your marvelous state of consciousness for I feel it and it is truly wonderful. You will rejoice I am sure to sit under his radiation in the class work.

"* * *

"A Special Delivery letter came Friday and

(Testimony of Richard J. Purcell.)

I thought sure it was yours with three thousand dollars. Next time it will be yours.

"* * *

"RAY." [194]

"Chicago, Ill.
"Dec. 13, 1933.

"My dear Miss Killen:

"* * *

"I am enclosing discourse of Oct. 27th, 1932. another marvel. I AM feeling the Three Thousand Dollars here in our hands and use now. That all move forward under divine direction to full quick accomplishment. That these blessed children of God craving the 'Light' and its use may have it.

"* * *

"RAY."

The next letter is page 2 undated:

"There cannot in any way be money connected with these instructions as they come as A FREE GIFT OF LOVE, from the ASCENDED MASTERS OF LOVE LIGHT AND WISDOM.

"ENTIRELY OUTSIDE OF THE INSTRUCTIONS, the Student may always do

(Testimony of Richard J. Purcell.)

what their heart wishes them to do. In the way of assisting us to carry on the work.

"* * *

"Should you contact the right channel for putting out these two wonderful books, let me know. Some how I have always had the feeling you would be the means of doing this. I AM so sure it would bring you an independent income the rest of your life.

"I mean the channel of money supply. Of course the supply needed will come but I would so much like to see you benefit by it.

"* * *

"Most Sincerely,"

The signature has been erased or stricken out.

[195]

"Chicago, Ill.
"Feb. 27, 1934

"My dear Miss Killen:

"Your letter of the 12th, was certainly a joy.

"* * *

"I feel so certain you will be led to and receive the Three Thousand Dollars needed to put the other book forth. Is there any source where you could borrow the amount for one or two years? After it was returned you could have your interest in the returns from the book just the same.

"* * *

(Testimony of Richard J. Purcell.)

"'UNVEILED MYSTERIES' is wonderful, beautifully and perfectly put out. So many appreciate the splendid type for reading.

"* * *

"RAY."

Mr. Neukom: Now reading from carbon copies which, I understand, were enclosed. It is

GOVERNMENT'S EXHIBIT 120.

I am reading from what is numbered page 4. At the top of the page it bears date of November 3, 1932:

"On Precipitation

"The power of precipitation, the student should understand and remember at all times, is within the 'I Am Presence.'

"'I Am' here, the life principle and intelligence in this body,—'I Am' everywhere, even unto the heart of God, the governing intelligence of the universe.

"Therefore, when I wish to precipitate anything whatsoever, I know that 'I Am' the power acting, the intelligence directing,—'I Am' the substance being acted upon and I now bring it into visible form and [196] my use.

"EWB. (I know 'I Am' doing this and therefore must succeed.)

"The contemplation of this phrase just expressed, will enable the student to enter into this activity without strain or anxiety.

(Testimony of Richard J. Purcell.)

"The question that so often confronts the students in the power of precipitation is,—how is it that money may be precipitated without interfering with the government allotment?

"Since the creation of money, as a standard of exchange, gold being its standard and heart, so to speak, and the security of all issue—it will be remembered, that there have been almost a countless number of disasters in one form or another, through which gold and the issue of money, have been to the outer sense destroyed.

"Billions of dollars in this manner have disappeared.

"Therefore, with any money, and it is generally gold that is precipitated, there is no danger of passing the limit set by a government, for its use. Again there have been billions of Spanish gold and denominations of ~~other~~ countries, that have been burned, lost, submerged at sea, to the extent, that precipitation would have to run into great numbers, before there would be any question as to its legality.

"More often however, gold is precipitated in its natural state, therefore, always legal in its use.

"As the world has recently offered a premium for more gold production, why not precipitate it and bless the world by its use; but I shall not hold myself [197] responsible for the questions, that will be asked, when you do

(Testimony of Richard J. Purcell.)

precipitate it, unless you have a mine from which you can supposedly bring it forth; for you have no idea what the curiosity of the outer mind is, until you call its attention to gold.

"I assure you the outer is immediately on fire.

"However, 'I Am' the Presence' Governing it.'

"The supposed demand to know the source of gold, is but a subtle form of inquiry, that someone else may discover your source. My idea would be to answer their inquiry, that it is none of their business. Simply say, 'Here is the gold. Test it. If it is not 100 per cent, you may refuse it. If it is, you are compelled to receive it by the laws of your government."

The Witness: Mrs. Ballard said that she and her husband had sent the letters, (Government's Exhibits 119 and 120), to Miss Killen. She said she had had correspondence with Miss Killen. At that time she showed me a copy of Government's Exhibit 91. She showed me a copy of the book, "Unveiled Mysteries".

Cross Examination

The copy of "Unveiled Mysteries" Mrs. Ballard showed me had the name of Godfre Ray King on it. It was bound. At that time she told me that Ray

(Testimony of Richard J. Purcell.)

Richards was the pen name of her husband and that he had published a number of books under that name. I did not check on this to find out if it was true or not. She told me that Mrs. Killen didn't put any money into the movement. My papers showed that up until that time she had not sent any money. Mrs. Ballard told me that she and her husband had met Miss Killen in Denver several years before and that at that time Miss Killen had offered to advance money for the publication of the book. Mrs. Ballard said that if Miss Killen would put up the money she would get a ten per cent royalty. I am not familiar with Miss [198] Killen's handwriting.

(Two letters were marked as Defendants' Exhibit K for identification.)

I don't recall ever having sent the two letters comprising Defendants' Exhibit K for identification. Mrs. Ballard said that her husband as "Ray Richards" had written poems. [199]